

The Nation Underwriter

LIFE INSURANCE EDITION

FRIDAY, FEBRUARY 10, 1933



WRITE FOR GENERAL AGENCY PROPOSITION
AND TERRITORY

RESERVE LOAN LIFE
INSURANCE COMPANY
INDIANAPOLIS, INDIANA.

RELOANT LIFE INSURANCE COMPANY
PAYS LOSSES WITHIN 24 HOURS OF RECEIPT OF PAYMENT

AIN'T IT THE TRUTH?

"The best salesman I ever saw was homely and awkward. His clothes did not fit him, and when he tried to tell a story, he sat down on the point. But his trade said they never knew him to lie about anything."—J. U. H. in Saratoga (California) Star.

J. U. H. has had a world of experience, and in spite of the fact that his quoted observation takes an implied "fall" out of some of the conventional ideas about equipment for ideal salesmanship, is it not probable that he has shown what is the greatest single-handed asset of a successful salesmen?

Is it not altogether likely that *TRUTH* accomplishes more than all other considerations put together in making a sale?

Truth needs no color. . . Its language is simple. . . It needs no flowers of speech. . . It is always straightforward. . . Every man seeks the truth. . . Truth irritates only those who do not want to be convinced by it.

While we are examining into anything, we are apt to find truth where least expected. No man has a right to utter an untruth, for truth is obligatory in all circumstances and in all relations.

Life Insurance stands the test of truth, and its salesmen thrive on it.

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

Milwaukee, Wisconsin

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Seventh Year—No. 6

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, FEBRUARY 10, 1933

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Mortgage Interest Reduction Opposed

Life Men Frown on Savings Banks' and Guarantee Companies' Action

NOT ANSWER TO PROBLEM

Lower Rates Would Reduce Investment Earnings and Provide Little Relief for Debtor

NEW YORK, Feb. 9.—With savings banks announcing interest rate cuts on mortgages and mortgage guaranty companies strenuously advocating such reductions, considerable interest has arisen as to the life companies' probable attitude toward agitations for a general decrease in the interest rate on existing and renewing mortgages.

Most life insurance investment men look with disfavor upon any such wholesale cutting of rates merely because of present economic conditions. Such a reduction would mean a substantial decrease in investment earnings and at the same time provide little benefit for the debtor. Except in a very few borderline cases, the mortgagor who is having trouble paying 5, 5½ or 6 percent interest is not going to have his difficulties solved by having the rate reduced one-half of one percent.

Life Companies Lenient

Life companies have exercised the highest degree of leniency and forbearance in dealing with the distressed landowner, and have given him every chance to hold on to his property, through renewals and postponing payment of principal. At the same time the companies have had to be guided by the fact that they are first of all trustees for their policyholders and beneficiaries. There has been a disposition to look upon the company as a mammoth corporation rather than as the pooling of the resources of many thousands of policyholders. Many of these policyholders are probably in considerably worse financial straits than a good part of the mortgagors who are clamoring for a general reduction in interest rates.

No Widespread Movement

So far there has been no widespread movement on the part of mortgagors to have their interest reduced, although a number have expressed individual opinions proposing revised rates ranging all the way down to a fraction of one percent. The position of the mortgage guarantee companies is not difficult to understand. While to a certain extent they may be actuated by altruistic feelings toward the debtor, yet, it is obvious that where a cut in interest will prevent a default the guaranteeing company's troubles will be to that extent lessened. Nor would such a cut be unprofitable to these companies, for the

(CONTINUED ON PAGE 22)

Life Companies Commended by Van Schaick in Report

MEET EXCEPTIONAL DEMANDS

Decrease in Requests for Loans and Cash Values Noted—Stricter Legislation Sought

ALBANY, N. Y., Feb. 9.—A decrease in demand for policy loans and surrender values during the last six months was noted by Superintendent Van Schaick of New York in his annual report. On June 30, 1932, the total loans outstanding made by New York companies were \$4,258,502, in contrast to total assets of \$17,000,000,000. "Ample liquidity to meet unusual demands without resort to unusual measures is a characteristic of present day life insurance," reported Superintendent Van Schaick. "Sales of securities at a loss or sacrifice have been negligible. Despite exceptional demand for policy loans and applications for surrender values, there has been but little resort to secondary cash resources of life companies represented by large investments in government bonds."

Compares Well With Average

"Although the amount of business written in 1932 will undoubtedly be considerably less than in two previous years, the total amount written during 1932 under the abnormal economic conditions of the year not only will compare favorably with the average over any extended period of the past but is an indication of the confidence which the public has in life insurance management. Life insurance companies doing business in the state of New York have paid to policyholders in 1932 over \$2,800,000,000."

Because of the extensive loans on real estate by life insurance companies, it is imperative, according to Superintendent Van Schaick, that the New York department should have at least two experts on real estate added to its staff to be employed on the same basis as the members of the examination bureau. Under the present abnormal conditions, the maintaining of the high standard of supervision required by the New York insurance statute, it is difficult to check the life companies' real estate holdings.

Deplores Twisting

Despite the unprecedented demand for policy loans, the ratio of loans to admitted assets has increased approximately from 13.3 percent in 1924 to only 18.4 percent at the end of 1931. Although the companies have not been overly affected, the existence of the loans has presented the possibility of twisting policies, which Mr. Van Schaick declared is a wasteful and costly procedure to both policyholders and companies. In case of rewriting of policies, Mr. Van Schaick advises that it is to the advantage of the assured to discuss the matter with the original company before replacing any policy.

Seeks Stricter Legislation

Superintendent Van Schaick asks legislation to compel domestic companies to maintain their investment capital and surplus in New York. He would also limit the investments of life investments in the securities of any one institution

Sales Plan in 1933 Is Seen as Essential for Success

READJUSTMENT TO CHANGE

Sparver of Reliance Life in Creed of Optimism and Hard Work at Pittsburgh Congress

Now is the time for stock-taking and inventory in life insurance, E. C. Sparver, director of agencies Reliance Life, told the Pittsburgh sales congress. It is a time to ask, what of the business? of one's job? of prospects?

In the large, he finds, underwriters should be grateful they are engaged in the business. No other business today occupies the eminent position held by life insurance. Within the ranks of producers there is much grumbling over lack of production, but this cannot be said to be unnatural. One most certain economic factor is change. Some underwriters believe that times have not changed. They are not alive to conditions as they exist. Others believe that better times are "just around the corner." They expect to sit out these times with the hope that they can get by until better times arrive, and they are "due for a long sit," Mr. Sparver said. The third group includes men who, in growing numbers, believe times are different; that they, like the times, must change. To these the future holds great possibilities.

Sustained Effort Needed

"Our job is to discover a planned basis of operation which will yield a profit for all in this greatest business in the world," he said. "There are many men who in 1932 equalled or exceeded their previous records of performance, but they paid the price required of planned work set up in tune with changed conditions. Without a plan, the best man could never have attained a satisfactory degree of sustained effort in a year like 1932."

"Many men, and some of you, may say, 'Why a plan?' A life insurance man's job is to contact daily with people. To that extent, therefore, he is controlled, and to a marked degree, by them. If he is not fortified by a predetermined objective sought after on a planned basis, he runs the grave risk of succumbing to the thought and influence of those with whom he comes in contact. In these times, these contacts are seldom if ever favorable to success."

"Regardless of what people think, say or prophesy, there will be life insurance written and paid for in this country so long as there are dependent women and children and young men to grow old."

"What are the natural consequences, today, for a man without a plan? He is buffeted about and assailed by the

(CONTINUED ON PAGE 22)

or piece of property to 5 percent of the total assets. Superintendent Van Schaick seeks to extend the limitations of companies' dealings with officers by forbidding companies making loans or advances to any officers, directors, agents, trustees or employees.

Life Men Oppose Inflation Plans

Cheap Money Would Depreciate Value of Policies in Force

WOULD BE SERIOUS BLOW

Cash Values Would Be Withdrawn and General Public Confusion Result, Say Critics

NEW YORK, Feb. 9.—While there is general agreement that currency inflation would prove a catastrophe for the country as a whole and a distinct detriment to the life insurance business, life company executives are confident that when legislators fully understand how disastrous such a step must inevitably be, the advocates of inflation will be reduced to a small and uninfluential group of partisans.

Hopeful signs are the House's recent decisive vote against proposed bimetallism and the Senate finance committee's action in calling a large number of well-qualified witnesses to testify on various angles of the inflation problem. The conservative tenor of Governor Lehman's message to the New York legislature is taken by many as indicative of the sane course which President-elect Roosevelt may be expected to pursue in handling national affairs.

Would Depreciate Life Insurance

"Any typical inflationary measures which would drive gold to a premium would result in undermining the entire financial structure and prevent a lasting improvement in general economic and financial conditions," a prominent life insurance executive declared. "Furthermore, it would greatly depreciate the value of life insurance now on the companies' books and no doubt seriously impair their solvency through heavy previous withdrawals of funds. The road of inflation, as has been repeatedly experienced abroad, may be a primrose path at the beginning but becomes more and more arduous and is likely to lead to disaster eventually. Any attempt to cure the present abnormal conditions through uncontrollable inflation—and most inflations finally become uncontrollable—should be strongly resisted by life insurance interests. Incidentally, life insurance salesmen are vitally interested in not having their renewals impaired through such a measure."

Lack of Organized Opposition

That life insurance men consider currency inflation a most remote possibility is evidenced by the lack of any organized opposition to inflation proposals. While theoretically the life company deals in dollars and it does not matter whether these dollars will buy much or little, yet the practical results would be sufficiently disastrous to line up the in-

(CONTINUED ON LAST PAGE)

Liquidator Keys of Illinois Charges Reinsurance Racket

WAS APPROACHED RECENTLY

Tells Fire Insurance Organization of
Men Taking Advantage of Com-
panies in Distress

Barter and sale of insurance companies in distress have come to be something of a racket in Illinois, with Chicago as a focal point, A. S. Keys, acting liquidator of the Illinois insurance department, told the Illinois pond of the Blue Goose at luncheon Monday. He said there are several individuals in Chicago in this activity; that they have no interest in the policyholders' welfare, but are merely dealing in "sucker lists."

Mr. Keys said he was approached only recently by one of these promoters with a proposal to submit to the Illinois insurance department a matter about a certain company. Mr. Keys said the man had in mind only selling the company. He stated many persons in Illinois do nothing but attempt to commercialize on insurance companies which are having difficulties.

Illinois Laws Weak

He declared there are many weaknesses in the Illinois insurance laws. In fact, he read them through word by word recently and found them, he said, more of a mystery than an Edgar Wallace thriller. Many sections are greatly in need of recodification. He said it was unfortunate that it should have required several company failures to drive home this point.

He suggested that rather than a complete recodification, certain faulty statutes be selected and rewritten. He had particularly in mind, he said, those relating to mutuals and reciprocals, the life and health assessment acts, mutual benefit acts, Lloyds and legal reserve acts, particularly in regard to the handling of invested funds and stipulating the securities which may be held.

After rewriting law, strict enforcement and exercise of police powers are absolutely indicated, he said. This must be done sanely, however, so as not to harass any companies honest in intent and trying to benefit policyholders.

Tax Reduction Essential

He touched on federal and state taxes, which he emphasized must be paid by the policyholder and constitute practically a sales tax, although few people realize that they have been paying such a tax upon insurance for many years. There must be a substantial reduction in taxes all along the line, he said, but he is not optimistic that this will be realized soon, largely because of the lack of public interest.

He commended the appointment of Superintendent Ernest Palmer and said with the backing of the influential insur-

W. A. Law's Anniversary as Penn Mutual Chief



WILLIAM A. LAW

President Law of the Penn Mutual Life celebrated his 10th anniversary as chief executive and in tribute the field got behind production in November and December. These were the largest two months in its history. The country was divided into four zones and the leader in volume and leader in number of lives in each zone were invited to the home office to receive the thanks of President Law. Those invited were H. M. Faser, Jackson, Miss., agency; H. M. Gershon, Atlanta, Ga.; N. A. Thompson, Oklahoma City; Samuel Kahl, Stumes & Loeb agency, Chicago; C. C. Ingraham, John A. Stevenson agency of Philadelphia; Henry Phillips, Jr., R. G. Engelsman agency, New York City.

The visitors were escorted to President Law's office and presented by Superintendent of Agencies J. E. Gibbs. Vice-president Stevenson then addressed Mr. Law in behalf of the field and presented him a memorial book, which contained copies of the original correspondence between the home office and field when the anniversary contest was initiated. There were hundreds of birthday cards also included.

In the evening the agency department officials were hosts to the visitors. Mr. Gibbs was toastmaster and talks were made by Wallis Boileau, Jr., superintendent of agents, and Harry Phillips, Jr., of the Engelsman agency in New York City. Vice-president F. H. Davis gave the finishing touch.

ance people, Illinois can look for important changes resulting in general good to the business.

Additional Companies Take Action on Loan Foreclosure

MORATORIUMS ARE DECLARED

Group in Georgia Reaches Agreement
with Governor Not to Sell Out
Farmers Who Try

Liberalization in foreclosure practices of life companies, heralded last week by a foreclosure moratorium by the Prudential throughout the United States and Canada on owner-operated farms, moratoriums by several companies in Iowa, and assurances by many other companies of reasonable attitude, continued this week.

Governor Talmadge of Georgia announced that 15 large life companies loaning on farms and real estate through the Georgia Real Estate Loan association had declared a moratorium on all Georgia farm mortgages. These companies are said to own 90 percent of farm loans in the state. The companies agreed to renew all mortgages for farmers if the owners would agree to stay on the properties, and would order foreclosures only when the lands were abandoned, the governor stated after a conference resulting from negotiations between the governor and the companies for several months.

The life companies' committee consisted of T. W. Sterrett, A. D. Lawson and A. L. Price.

After-effects Are Feared

A serious aftermath of the widespread demand for mortgage moratoriums, it now appears, may be curtailing credit. Where reasonable arrangements are worked out by all interests, future loans may not be affected, especially as regards loans made by life companies which volunteered moratoriums or broad policies of forbearance. However, a stringency of money for mortgage loan purposes appears to be a very real danger generally, if opinions from many states are to be believed.

In preference to tying up their money indefinitely in real estate loans which may not for a considerable period offer ordinary protection to mortgagees, sources of such loans may be expected to make investments in other channels, according to mortgage men.

Since the movement appears to be spreading from farm loans to city real estate and home loans, there also is grave question whether life companies will not feel called upon to divert more and more money in these difficult times to investments of more liquid nature.

It is emphasized that the large proportion of real estate owners with unencumbered property would suffer from the general trend if they found it necessary to raise money. The situation pre-

(CONTINUED ON LAST PAGE)

Scandals Are Revealed in Some High Finance Schemes

INVOLVE PRESIDENT OVERTON

Failure of the Victory Life of Chicago
Has Brought Out Interesting
Facts

The Chicago "Herald & Examiner" last Sunday blew the lid off of the defunct Victory Life of Chicago, the Negro company, whose president was Anthony Overton, who also was president of the Douglass National Bank, which failed. The Victory Life secured a license in New York and was the only Illinois life company licensed in the state. The "Herald-Examiner" claims that after it got a license in New York, President Overton started on a career of high finance, getting colored people to buy stock as well as insurance. The Victory had 11,800 policies with \$11,615,584 insurance in force.

High Finance Schemes

President Overton had over issued the authorized capital stock by 1,827 shares and voted them in a stormy stockholders' meeting to keep control of the company. The company had 8,000 shares of stock, with par value of \$25, total capital being \$200,000. It was proposed to increase this to 10,000 shares, totaling \$250,000. In preparation for the change President Overton had the additional stock printed. The increase, however, was never completed and the certificates remained unissued. The "Herald-Examiner" charges that President Overton being in need of money had employees sign "accommodation notes." In that way he took out \$26,250. The "Herald-Examiner" says that he secured part of this sum with stock in the Douglass National Bank, which also failed, leaving the stock worthless. The remainder was secured by a junior mortgage on a building he owned.

President Overton, it is charged, made family loans, one of \$12,000 to his daughter, Eva O. Lewis, and another of \$11,000 to another daughter, Mrs. F. O. Hill. In both cases, collateral was stock in the Douglass National Bank, which now carries a double liability because of the failure. The "Herald-Examiner" declares that President Overton carried an inflated figure of \$250,000 as the value of the home office. The Victory Life secured \$78,000 Reconstruction Finance Corporation loan. The "Herald-Examiner" says:

"Night was settling over the Victory, but Overton still had one more trick to play. Remember those 2,000 shares of unissued stock—really nothing but printed paper—that lay in the treasury? When a bitter factional fight for control came last March, he remembered them when he discovered his opponents had stock and proxies sufficient to defeat him and take the company away. He drew 1,827 shares and voted them without challenge to win the fight. Triumph was only temporary, for when the company failed and the receivers, A. A. McKinley and J. W. Gullett, came in, they discovered the evasion and the 1,827 shares Overton used are now charged against him as an additional liability of \$45,675. In using them once, he made them active."

J. C. Harding Is Nominated

The fire insurance interests have nominated John C. Harding of Chicago as their candidate for election as insurance director of the United States Chamber of Commerce to succeed George D. Markham, local agent of St. Louis, who is not seeking reelection. Mr. Harding is western manager of the Springfield Fire & Marine. The other director is Justin Peters, president of the Pennsylvania Lumbermen's Mutual Fire. He holds over for another year.

FIGURES FROM DECEMBER 31, 1932, STATEMENTS LIFE COMPANIES

Total Assets	Chg. in Assets	Surplus	New Bus. 1932	Ins. In Force Dec. 31, 1932	Change in Ins. In Force	Prem. Income	Total Income 1932	Benefits Paid 1932	Total Disbursements 1932
Atlas Life, Okla.....	2,778,194	-153,194	162,186	8,614,881	-2,594,359	624,356	823,987	495,566	946,386
Berkshire Life.....	49,718,697	134,744	2,452,491	21,882,785	225,086,653	-8,335,262	9,587,758	7,459,621	9,587,850
Capitol Life.....	11,082,612	-36,003	946,746	14,090,613	65,587,231	-4,567,538	1,598,781	2,457,674	1,619,117
Connect. Mutual.....	218,806,308	8,681,909	12,525,358	102,173,481	950,563,299	-16,672,909	32,784,008	47,192,132	28,429,690
Eureka-Maryland.....	6,256,187	36,394	544,951†	22,319,488	56,669,768	-5,798,384	1,514,514	1,845,379	853,783
Great Northern.....	6,889,521	242,314	240,431	5,876,003	33,115,093	-3,438,557	868,029	2,149,861	679,415
Great South., Tex.....	43,372,906	2,368,982	1,864,269	31,243,104	250,494,036	-916,588	6,169,752	12,365,508	7,032,436
Hamilton Nat. Cat.....	468,264	22,983	51,467	1,023,468	2,885,268	-365,032	81,254	126,850	23,392
Kan. City, Life.....	73,249,491	6,527,543	68,749,195	402,319,735	10,593,699	14,218,285	9,795,661
Life of Virginia.....	74,407,234	1,436,401	5,391,821	90,766,971	374,278,796	-13,544,535	12,257,816	16,055,731	8,601,699
Lincoln Nat. Life.....	84,725,143	1,555,818	4,500,796	126,372,607	824,998,643	-99,290,218	18,737,891	23,837,935	16,558,355
Metropol. Life.....	5,769,372,428	179,256,771	240,811,739	3,273,178,268	18,980,743,208	-466,600,741	729,793,6419	921,953,10156	562,804,6517
N. W. Mut. Life.....	996,003,967	18,738,137	55,222,610	254,465,390	3,998,518,061	-97,622,099	126,515,472	189,902,067	142,130,676
Old Line Life, Wis.....	17,558,725	220,353	832,210	7,390,787	88,145,133	-8,501,188	2,446,909	3,270,318	2,252,327
South. Am. Ind., Va.....	890,284	-67,217	2,368,487	1,302,457	5,302,457	-959,582	512,966	562,174	272,866
State Mut., Mass.....	151,595,868	2,620,291	9,323,808	40,742,147	634,954,857	-28,915,595	19,572,954	29,032,606	26,772,724
Union Mut., Me.....	21,693,767	-639,763	921,145	4,323,947	71,651,600	-7,360,967	2,236,992	3,449,250	3,280,593

*Includes \$3,406,575 Contingency Reserve.

†Includes \$144,567 Special Funds.

‡Including Issued, Revised, and Increased.

Excluding Increase on Group Policies.

1. Includes \$13,880,625 A. and H.
2. Includes \$13,885,597 A. and H.
3. Includes \$11,083,937 A. and H.
4. Includes \$14,867,738 A. and H.

Thirteen Offers for Illinois Life

Kemper Interests Conceded Best Chance for Acceptance—Old Line's Novel Plan

HEARING HELD THURSDAY

Many Notables in Court at Chicago This Week to Present Proposals of Various Groups

Thirteen bids for the Illinois Life on one of three bases, reinsurance, mutualization or formation of a new stock company, were explained by representatives of various interests to Federal Judge Wilkerson in Chicago Monday. The bids were taken under advisement and the hearing adjourned until Thursday, when it was expected a recommendation of General Abel Davis, receiver, and of Fackler & Breiby, of New York, his actuaries, as to the preferable offer would be made.

Interest in Kemper Plan

Due to its liberality and the fact that it was expected a recommendation of a large sum of cash to go to surplus and capital, the proposal of interests headed by James S. Kemper, head of a powerful fleet of Chicago mutual insurance companies, is generally admitted to have the best chance of acceptance. Mr. Kemper's great underwriting and executive ability is nationally recognized and opinion is strong that under his direction the Illinois Life would be quickly rehabilitated and placed in a strong position. An authority close to him gives the information that his plan contemplates securing the services of a nationally famous and respected life insurance executive to head the Illinois Life. It is conceded that under Mr. Kemper, a man of unquestioned integrity and former director of the United States Chamber of Commerce as well as past president of national mutual organizations, the Illinois Life's future would be bright.

Other Proposals Filed

However, there are other proposals which offer possibilities. The other companies and interests which filed bids were:

Old Line Life, Milwaukee.
Lincoln National, Fort Wayne, Ind.
Continental Life, St. Louis.
Life & Casualty, Chicago.
Illinois Bankers, Monmouth, Ill.
Insurance Equities Corporation, New York.
Central Life, Des Moines, Ia.
Missouri National, St. Louis.
A group of fraternal societies.
Two committees of policyholders.
Arthur Stedry Hansen.

Some of these offers carried the stipulation that policy liens would range from 25 to 180 percent, and interest rates on loans from 3½ to 6 percent.

The Life & Casualty's proposal, made through President M. A. Kern would carry on the name of the Illinois Life by changing that of the reinsuring company to "Illinois Life & Casualty."

Kemper Plan's Essentials

The Kemper proposal, presented by J. R. Cochran, counsel for Mr. Kemper and member of the law firm of Knapp, Beye, Allen, Cochran & Cushing of Chicago, general counsel United States

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Lincoln National Life Survey for January

The survey made in January by the Lincoln National Life of those buying \$10,000 policies and over shows brokers, officials and managers of banks, insurance, loan and real estate companies as having risen from second to first position over the preceding month. Lawyers, judges and justices advanced from fourth to second place, while insurance agents who headed the list last month dropped to third position. In addition to the occupations which proved desirable for the sale of larger policies, the following groups stood high on the list: Retail dealers, clerks, wholesale dealers, proprietors and managers of elevators, warehouses, lumberyards, stockyards and coal yards; real estate agents, civil engineers and surveyors, physicians and surgeons and oil dealers.

Canadian Life Business Is Off 17%; in Force Declines

TORONTO, Feb. 9.—New life business in Canada in 1932 was about 83 percent of the amount written in 1931, according to preliminary estimates. One important company, the London Life, showed a gain, but others for which figures are thus far available show decreases up to about 20 percent. Indications also are that the net amount of business in force decreased for the first time since 1878. Figures for nine companies, which account for about half the total business in Canada, indicate that this decrease may be over 5 percent. It has capital \$600,000, contingency reserve \$160,051 and net surplus \$510,000. It increased its assets \$156,984. It has about \$2 in assets for each dollar of liability. It has not sold any securities in order to meet its obligations nor has it had to seek any loans.

Financial Statements Tell of Operation for the Year

The Fidelity Mutual Life in its new statement shows assets \$98,754,449, gain \$615,738. Its surplus is \$5,710,074, gain \$208,930. In addition there is a special contingency reserve of \$500,000 to offset fluctuation in securities. There was \$2,533,353 apportioned for dividends payable this year. It paid policyholders last year \$14,804,722, increase \$2,925,992. Loans to policyholders amounted to \$7,407,358, making total of such loans \$21,871,743. It has \$3,629,545 in U. S. and other government bonds, and other bonds amounting to \$24,426,937.

Washington National's Year

The Washington National of Chicago in its annual statement shows assets \$2,577,714. Of this amount \$299,467 is cash, \$317,998 government bonds, \$67,386 due from banks in 60 days, making 26.56 percent of the assets in these three items. It has 42.79 percent of its assets in state, county and municipal bonds. It has railroad bonds 4.23, public utility 8.32, industrial 5.68. Its real estate owned is 1.29 percent, its mortgages 5.58 percent. It has capital \$600,000, contingency reserve \$160,051 and net surplus \$510,000. It increased its assets \$156,984. It has about \$2 in assets for each dollar of liability. It has not sold any securities in order to meet its obligations nor has it had to seek any loans.

Penn Mutual Life

The Penn Mutual, in its annual statement, reports an increase in assets of more than \$18,000,000, an increase of

some time yet. Premium income, also total income, showed gains in 1932, however.

surplus of about \$1,000,000, as well as the apportionment of funds with which to maintain the dividend scale without reduction.

Total assets now amount to \$514,588, the principal items of which are United States government bonds, \$17,610,461; other bonds, \$125,024,322; preferred and guaranteed stocks, \$12,013,966; mortgages, \$193,497,430; policy loans, \$117,-814,539; real estate, \$20,091,904.

Policy reserves amount to \$436,716,-520; dividends left to accumulate, \$26,-021,534; dividends to policyholders for 1933, \$14,700,000; surplus reserve for mortality fluctuation, \$8,204,940, and surplus reserves for asset fluctuation and other contingencies, \$19,508,540.

New business paid for in 1932 amounted to \$163,081,151 and total insurance in force stands at \$2,008,947,312.

Total income amounted to \$107,343,150. Death claims paid amounted to \$21,671,-421; matured endowments, annuities, etc., \$4,353,521; disability for waiver of premiums and monthly annuity payments, \$1,068,934; surrender values, \$26,-345,727; dividends, \$17,521,869.

Mutual Benefit Life

Assets of \$587,952,985 are reported by the Mutual Benefit Life. The principal items are, cash, \$4,483,338; United States government obligations, \$3,987,-348; state, county, municipal and other bonds, \$146,701,205; preferred and guaranteed stocks, \$6,705,574; first mortgages, \$214,252,539; real estate, \$31,233,-026; policy loans, \$157,048,289. Policy reserves amount to \$489,351,971; dividends payable in 1933, \$17,942,225; suspended mortality fund, \$8,980,796; security fluctuation and real estate depreciation fund, \$13,905,519, and special reserve \$2,000,000.

Insurance in force now amounts to \$2,334,602,527. Total income amounted to \$673,855,312. Death claims paid amounted to \$25,559,244; endowments, \$2,768,819; total and permanent disability benefits, \$8,732; annuities, \$109,918; surrenders, \$39,070,476; dividends or return premiums, \$22,972,032.

In spite of heavy cash requirements last year, President John R. Hardin stated there has been no interruption of prompt and complete compliance with every contract obligation. With an abatement of the demand for surrender values, Mr. Hardin predicts the assets will resume their upward trend. In the mean time, he declared the company regards the recognition of the basic equities in the accumulated reserves, as between retiring and continuing policyholders, as an essential principle in mutual life insurance.

The consequences of the depression, he said, do not threaten the present or future financial stability of the company. They do not even suggest capital losses which cannot be absorbed in orderly course as and when actually experienced. They do, however, affect the current cost of insurance and call for conservative action in dividend distributions and in the enlargement of contingency surpluses.

Great West Life

The Great West Life of Winnipeg in its annual statement reports assets, \$135,738,365, including bonds and debentures, \$43,277,092; stock, \$549,450; city mortgages, \$27,628,106; farm mortgages \$19,312,572; real estate, \$2,616,009; policy loans, \$28,817,512; cash, \$1,155,356.

Policy reserves amount to \$108,012,-098; accrued policyholders profits due, \$7,189,750; capital, \$1,000,000; contingency reserve, \$3,000,000, and net surplus, \$9,130,504.

Insurance in force now stands at \$580,-536,809. New business issued amounts to \$46,653,380. Total income was \$27,-533,438 and payments to policyholders (CONTINUED ON PAGE 7)

Abraham Lincoln

This man, whose homely face you look upon,
Was one of Nature's masterful, great men;
Born with strong arms, that unfought battles won;
Direct of speech, and cunning with the pen.
Chosen for large designs, he had the art
Of winning with his humor, and he went
Straight to his mark, which was the human heart;
Wise, too, for what he could not break he bent.
Upon his back a more than Atlas-Load,—
The burden of the Commonwealth,—was laid;
He stooped, and rose up to it, though the road
Shot suddenly downwards, not a whit dismayed.
Hold, warriors, councillors, kings! All now give place
To this dear benefactor of the Race.

—R. H. Stoddard

The Penn Mutual Life Insurance Company



FINANCIAL STATEMENT

Dec. 31, 1932

ADMITTED ASSETS

First Mortgage Loans.....	\$22,090,765.94
Secured by first liens on real estate worth more than twice the amount loaned.	
Real Estate	3,233,139.60
Improved and revenue-bearing.	
Municipal and Government Bonds	559,410.83
Policy Loans and Premium Notes	14,653,514.44
(within reserve)	
Interest Accrued	701,174.74
Cash in Banks.....	1,233,080.04
Miscellaneous Admitted Assets	901,819.71
	<hr/>
	\$43,372,905.30

LIABILITIES

Legal Reserve on Outstanding Policies	\$36,808,331.40
Reserve for Interest and Premiums Paid in Advance, Taxes, Claims Awaiting Proof and Other Sundry Liabilities	1,760,304.42
Surplus Protection to Policyholders in Addition to Legal Requirements	4,804,269.48
	<hr/>
	\$43,372,905.30

*Write the Home Office
for attractive agents
contract*

GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. GREENWOOD, President
HOUSTON, TEXAS

Bulk of Sales in 1933 Will Be Made to New Prospects

"The depression in the life insurance business is going to be solved by going out aggressively after new business and creating it," declares Jerome Clark, vice-president Union Central Life.

"Under conditions that exist today we shall have to secure the bulk of our business from new clients this year," said Mr. Clark, in outlining the principles of "merchandised selling," the company's new sales technique which has been intensified for 1933.

Merchandised Selling

"Merchandised selling," he said, "is the application of four necessary principles to our 1933 selling. The first principle is to have a leader. The second principle is to give that leader a vivid and interesting selling technique, and the third principle is to make it tangible. The final principle is to have an objective."

"Programming is the strategy of life underwriting; merchandised selling is its tactics. Strategy is the art of planning a whole campaign, of creating a whole,

well-rounded estate, so that the battle or sales which compose it will be worth winning, because they contribute towards the general aim which is to be accomplished.

Battle Must Be Won

"Tactics is the art of maneuvering troops on the battle field, of winning the battle, of making the individual sales. The best strategy in the world is valueless if we can't win a decisive battle. The best tactics in the world are valueless, if the battles we win do not contribute toward a worthwhile program. Our programming strategy is all right, but we need new tactics to win sales under the present conditions."

"The whole art of merchandised selling is the ability to make an individual sale against the background of a whole comprehensive program. People are extremely receptive to life insurance today but they shy away from big, broad programs unless we just happen to strike them in the right mood and with enough money in the bank."

Seek Stringent Regulations for Texas Life Companies

AUSTIN, TEX., Feb. 9.—Stringent regulations on life companies doing business in Texas are proposed in bills introduced by Chairman Anderson of the house insurance committee.

One bill would require that a surplus reserve of 3 percent of the insurance in force be set up. Stockholders of life companies would be made liable up to the par value of the stock they hold to reimburse all policyholders in event of failure. Unless impairments of capital are removed within 60 days, the board of insurance commissioners would be authorized to institute suit to close the company and reinsure its policies.

Restrictions on Dividends

It would require that dividends be paid from profits and then only with the approval of the insurance board. Dividends in excess of 10 percent of capital would be prohibited. All profit in excess of 10 percent would be credited to policyholders.

Companies having interlocking directors would be forced to change the situation within 60 days after the effective date of the proposed law.

Compromise Agreement Reached

An agreement was reached at Frankfort, Ky., between attorneys representing receivers for the Inter-Southern Life and Security Life of Chicago, whereby the Chicago company agreed to accept a cash payment of \$35,000, and agreed to cancel notes of the Inter-Southern Life aggregating \$135,000, the Inter-Southern agreeing to drop proceedings to levy a double liability assessment against the Security, a large stockholder. The suit of the Inter-Southern to levy double assessment against all stockholders of the company, was continued on the court docket. If this adjustment is approved it will release \$411,537 of property mortgages to the Inter-Southern. The compromise must be approved by the federal court in the northern district of Illinois.

Commissioners Meet Feb. 14-15

Approving the suggestion of Secretary Jess G. Read of the National Convention of Insurance Commissioners, the executive committee decided to meet at St. Louis Feb. 14-15 and fill official vacancies resulting from changes due to state elections.

Nebraska Managers Seek to Halt Promoters' Activities

LINCOLN, NEB., Feb. 9.—A bill introduced in the Nebraska legislature, backed by the Nebraska Life Managers Association, is intended to put an end to the launching of life companies on a purely promotion basis. The paid-up capital for stock life companies organized in the future is left at \$100,000, but it increases the surplus required from \$25,000 to \$100,000. In the case of mutuals there must be applications from at least 500 persons who have paid one premium on a total of at least \$500,000 insurance, and the surplus required is increased from \$30,000 to \$100,000. Any person offering life insurance stocks for sale must get a permit from the insurance commissioner.

The senate has indefinitely postponed a bill exempting the entire proceeds of life insurance policies from the claims of creditors. The present law exempts an amount purchasable by \$500 of annual premiums. The insurance committee recommended for passage a non-medical examination bill, one forbidding Omaha banks to sell insurance, and one increasing the amounts that can be written on children's lives.

Ends Life Two Years and Fifteen Days After Insuring

Life insurance continues to motivate many suicides throughout the country. For instance, John H. E. Stapp, florist of Rock Island, Ill., committed suicide by running his automobile into the guard rail of a bridge near Preemption, Ill. He addressed a communication to a newspaper in Muscatine, Ia., and another in Rock Island, with the request that they be published. Among the statements in one of the letters was: "I have sufficient life insurance to take care of all our troubles and this would be immediately available if I were dead. If this money is to ever be of any benefit to any one of my relatives, friends or associates, it must be made available at once... As for the exact details I will follow, it need only be said that my car goes 85 miles per hour and that a cement wall would stop it instantly."

Stapp is believed to have carried a total of about \$75,000 life insurance. He purchased \$55,000 from the State Mutual Life, Jan. 12, 1931, just two years and 15 days before committing suicide.

FINANCIAL STATEMENTS GIVEN

(CONTINUED FROM PAGE 5)

and beneficiaries, \$21,219,315. The Great West Life earned \$2,795,269 last year, out of which \$2,000,000 was appropriated to write down ledger and other assets, \$500,000 added to contingency reserve and the balance went to increase surplus.

President G. W. Allan expresses the belief that the company's investments will be limited very largely to government bonds and that investment in mortgages will be reduced.

The Great West Life operates in Michigan, Illinois, Minnesota, North Dakota and Washington as well as in Canada. All policy obligations are paid to American policyholders in United States currency and these obligations are provided for by ample securities on deposit in the various states.

California-Western States Life

The California-Western States Life has issued its annual statement showing assets \$43,493,196 with policyholders surplus \$3,742,396. Its capital is \$1,741,656 and surplus \$1,000,000. Its contingency reserve is \$1,000,740. The contingency reserve has been increased \$401,682. This was achieved after paying from earned income \$521,000 in dividends and adding \$201,101 to cash on hand. The cash in bank on Dec. 31 was \$1,083,360. Its insurance in force is \$237,348,681, decrease \$24,000,000. Its assets are off \$1,000,024. It has mortgage loans 34 percent of its assets, bonds 16.61, policy loans 26.66. Its only stocks are preferred, being \$336,644. Its policyholders were paid over \$8,000,000 last year on an earned income of over \$12,000,000. President J. R. Kruse in commenting on the demand for policy loans and surrenders says that while they have been heavy there has been no postponement in making payment. He feels that life companies should extend their service as promptly and as agreeably as possible.

Great American Life of Kansas

The Great American Life of Hutchinson, Kan., has published its annual statement showing assets \$1,676,560, capital \$100,000, net surplus \$176,585, premium income \$266,664, interest income \$83,075, increase in assets \$35,541, excess of income \$32,799, surplus increase \$16,094, insurance in force \$8,241,033. Consulting Actuary F. S. Withington of Kansas City has completed an audit of the Great American Life and finds that it has met every cash demand, notwithstanding that they have been great. It has not found it necessary to sell any securities but has met all obligations out of daily income. Actuary Withington says the policyholders have every reason for placing confidence in the company.

The annual statement of the Great Southern Life of Houston, Tex., shows assets \$43,372,905, policyholders' surplus \$4,804,269. It has cash in bank amounting to \$1,233,080, which is ample to meet all needs as they arise.

Mutual Life of New York

The Mutual Life of New York, which Feb. 1 completed 90 years of operation, shows in its annual report net income of \$20,749,272 in 1932, the total income having been \$228,798,139 and total disbursements, \$208,048,867. Fund for depreciation of securities and general contingencies was \$58,773,457 and special reserve, \$9,275,166. Cash position was strong, having increased from \$6,885,281 at the end of 1931 to \$15,721,251 on Dec. 31, 1932. The Mutual Life also set aside \$34,600,376 for 1933 dividends. Policy loans were reported to be still large, but the total in the second half of 1932 declined to \$23,736,409 from the \$34,501,193 in the first half-year.

The State Mutual Life new figures show premiums \$19,572,954, paid policyholders \$20,772,724, excess of income \$1,909,859, assets \$151,695,868, contingency reserve \$1,025,000, surplus \$9,323,807, new business \$40,742,147, insurance

in force \$634,954,857, increase in assets \$1,909,859. Of its assets government and municipal bonds are \$15,297,044, public utility, railroad and other bonds \$29,073,075, policy loans \$36,592,523, mortgage loans \$53,265,799, real estate owned \$6,059,875, cash on hand \$2,343,462.

Farmers & Bankers Life

The Farmers & Bankers Life of Wichita, Kan., shows assets \$11,058,897, of which \$2,171,862 is state and government bonds, mortgages \$4,608,707, real estate \$224,266, policy loans \$3,220,850, cash \$227,400, capital and surplus \$650,000, assets gain \$855,087, insurance in force \$55,249,364, gain \$5,401,752. It has paid to policyholders since organization \$7,600,225. H. K. Lindsley, the president, is a member of the executive committee of the American Life Convention.

Mutual Trust Life

The Mutual Trust Life of Chicago has issued its annual statement showing assets \$31,514,491. It has U. S. bonds and notes \$603,754 and cash \$593,653. Its state and municipal bonds are \$3,247,584, utilities \$4,150,753, railroads \$1,457,524, industrial \$349,861. Its city loans are \$5,507,349, farm \$4,186,975, policy loans \$7,357,745, real estate \$2,512,495. Dividend surplus is \$613,504, contingency reserve \$700,000 and unassigned surplus \$1,093,546. It has \$170,061,512 insurance in force. It paid policyholders last year \$4,651,404.

Country Life

The Country Life, Chicago, shows at the end of 1932 admitted assets, \$1,824,778, capital stock, \$100,000, surplus paid in, \$21,000 and earned surplus, \$345,537. It had \$47,368,250 insurance in force. There was \$589,962 excess income over disbursements.

Guardian Life Reports

An increase in assets of \$3,685,711 is reported by the Guardian Life. The gain in assets brought the total to \$95,505,469. Payments to policyholders in 1932 were \$15,297,014, of which \$11,486,091, or 75 percent, went to living policyholders. Surplus earnings exceeded \$4,000,000. After setting aside \$2,915,000 for dividends to policyholders in 1933 and charging off \$170,472 against depreciation of the home office buildings and other improved real estate properties, \$451,731 was added to the general surplus, bringing the total for that account up to \$5,209,332. In addition to the increase in the general surplus, \$350,000 was added to a special reserve held for contingencies, making a total of \$1,000,000 held for that purpose.

Total income in 1932 amounted to \$23,333,545, less than 1 percent below the record high figures established the preceding year. The mortality experience was 49.2 percent of the expected. Interest return on the mean amount of its invested assets was 5.36 percent. New paid for business totaled \$47,797,178 and the amount of insurance in force is \$493,331,177.

National Guardian Life

The National Guardian Life of Madison, Wis., has issued its 1932 statement in a form easily comprehensible to the person not acquainted with the life insurance setup. George A. Boissard is president. For instance, there are four main heads in the statement: Sources of 1932 income, uses made of 1932 income and analysis of the assets and what the assets cover. Total assets amount to \$7,981,649, the principal items of which are mortgages, \$3,908,142; bonds, \$1,896,399; policy loans, \$1,313,186; real estate, \$504,717; cash, \$85,225.

The policy reserve amounts to \$6,730,866; capital, \$100,000; dividends for policyholders in 1933, \$184,968, and contingency reserve, \$521,604.

New premiums in 1932 amounted to \$151,244; renewal premiums, \$1,232,936;



Dear Fred:

If you had as good a holiday season as I, something tells me there will be a new refrigerator in every kitchen and two policies in every safety deposit box by April.

Right at the moment, I'm all peped up. The Christmas and New Year's cheer has something to do with it, I suppose, but mostly it's caused by some new dope from U. C. L.

You remember our sales plan on Education Policies — the one I used on you? Well, we have another "merchandised selling" outfit now, and it sure is taking hold! By the time all our featured policies get going under this plan, I'll be an A-1 salesman. Anyone could be!

Another thing. Every day I'm realizing more and more how U. C. L. radio and magazine advertising is giving me sales tools that make all the difference between success and failure. As the Home Office Flying Squad said on its last trip around the circuit, "The regular appearance of the advertising helps to keep the policyholder sold on Union Central Life, and prepares the way for his buying more insurance later on."

And finally, I've up and got ambition! Yes sir — I was reading over the list of agents who wrote their half million in 1932, and I've vowed that some day, be I old and hoary or sparkling with youth, I'll wear the golden key and rub elbows with the members of the Union Central \$500,000 Club!

YOUR OLD ROOMMATE,

Sam



THE UNION CENTRAL
LIFE INSURANCE COMPANY

>> CINCINNATI <<

interest on investments, \$356,294; total income, \$1,892,449.

Paid to policyholders and beneficiaries for death claims and surrendered policies and dividends, \$1,108,307, and total disbursements, \$1,646,636.

Business Men's Assurance

The Business Men's Assurance, in its 1932 statement, reports assets \$9,435,961, increase \$784,324. Life insurance reserves amounted to \$5,739,286, increase \$925,654. Capital is \$500,000 and net surplus \$528,126.

In 1932 the Business Men's Assurance paid \$679,436 to beneficiaries, \$283,160 to life policyholders and \$1,875,757 under accident and health contracts. New life insurance paid for amounted to \$31,392,049, life insurance in force is \$94,045,882, an increase over 1931. Total cash income amounted to \$5,647,517 and the average interest earned on investments was 5.85 percent. The company has paid to policyholders since organization \$28,807,055.

Mortgages, Need for Real Estate Experts Discussed

NEW YORK, Feb. 9.—A staff of real estate experts to advise the insurance department on realty valuation problems is provided for in the present state budget now pending before the New York legislature, Superintendent Van Schaick of the New York department revealed to the New York City Real Estate Board last week.

Commenting on Governor Roosevelt's request of a year ago that companies be allowed to use as much leniency as is consistent with their obligations to their policyholders, Mr. Van Schaick said that "the attitude of the companies as stated to the insurance department by them was that where a man was living in his own home or on his own farm, keeping the property in a fair state of repair, there would be no forcing process. Where, however, by the attitude of junior mortgagees or other circumstances the collateral behind the loan was jeopardized, companies would be compelled to take action to conserve their security. Each case must stand on its own merits. All through the depression complaints against the insurance companies under the jurisdiction of the New York insurance department in the forcing of mortgages have been negligible.

"The recent announcement relative to farm mortgages is far from any revolutionary attitude but in accord with this well-established constructive, sympathetic action of insurance companies. Such action of course is based upon confidence in the future. It is not a mere hope. Neither is it idle speculation. Confidence in real estate as the fundamental security of the country continues to be held by our great financial institutions because it is the most permanent and useful of possessions."

Klingbeil Reports Large Increase

DETROIT, Feb. 9.—The Detroit ordinary agency of the Prudential under F. L. Klingbeil, who became manager in October, 1931, paid-for 46 percent more business in 1932 than in 1931, and its new business over cancellations exceeded 40 percent. Group business in 1932 equaled the total for the three previous years. There was an increase of 100 percent in the number of new policies written.

Life Agency Notes

The Security Mutual Life has appointed Ray H. Collins assistant state manager, with offices in the Bankers building, Milwaukee. He has been with the Penn Mutual Life at Milwaukee.

W. S. Berwick has been appointed manager of the **Life & Casualty** of Nashville at Baton Rouge, La., succeeding A. B. Abernathy, who becomes special agent in the ordinary department at Baton Rouge.

OBSERVATIONS in the Life Insurance Field

By E. J. WOHLGEMUTH

The idea that life insurance funds are trust funds which carries the inference that there is a larger social responsibility in the handling of such money than of ordinary investments is likely to help both the farmers and the railroads in working out their problems. If a great grocery chain or mail order house got into difficulties it is hardly likely that any governmental administration or the Congress would feel any responsibility or interest. While it is true that the primary interest in helping the farmers and the railroads is not because their securities are made up largely of life insurance trust funds it is also true that the life insurance companies are likely to be of considerable help in assisting these two great industries to regain a sound status. There is quite a striking similarity in the condition in which farm mortgages and railroad bonds are found, notwithstanding that they are at the opposite poles, as it were, in the economic set-up as popularly regarded.

A recent presentation before the interstate commerce commission shows that the operating revenues of the Class 1 railroads have been declining at the rate of a billion dollars a year since 1929 and that their 1932 operations will probably show a deficit of \$200,000,000. It was estimated that the operating revenues for 1932 would be less than in 1929 by nearly \$3,250,000,000 or more than 50 percent. The net railway operating income of the Class 1 roads in 1929 was placed at \$1,251,698,000, or the equivalent of 4.81 percent return on their property investments. Based on the first 10 months of 1932 the rate of return will show for the year only 1.15 percent. The roads will be allowed a \$60,000,000 increase for the first nine months accruing from the emergency surcharges.

Allotment Scheme Step Towards Paternalism

The effect of the proposed allotment plan of farm relief will be, practically, to place the farming industry on somewhat the same basis as the railroads; and this is a tremendous step in the direction of paternalism, which is greatly to be regretted. Probably the organization of the system as proposed will be found to be defective in many respects and it is to be hoped that it will be ultimately discarded but in the meantime it will have served a certain constructive purpose. Both plans of railroad and farm relief are unsound fundamentally and both railroads and farmers will ultimately have to get back to the basis of all other business and enterprise, yet the writer is one who is in favor of assisting the farmers temporarily to get back on their feet. There is evidence that many life insurance officials in charge of farm mortgage investments are in favor of some temporary plan for farm relief also and this is supported by the large and growing sentiment that the way out of the depression is to start with the farmer and make it possible for him to continue as a self-sustaining economic unit, at the same time giving him the means to make necessary purchases which will start the wheels of industry turning.

As to life insurance investments in railroad bonds and farm mortgages it is interesting to note that the companies are not taking the position of a Shylock in demanding his pound of flesh but are doing all they can to help the industries which they have financed to a large degree. This is a broad and sound business policy as well as, practically speaking, a necessity. The railroads will have to adjust themselves

sooner or later to the new conditions caused by the entrance of the automobile passenger car and truck. If the farm allotment bill should become a law and prove to be fairly workable the farmer can commence to get out of debt, at least back to the point where he will not be in danger of losing his business and his home; through his purchases he will become a great contributor to the revival of industry; and he will once again become a large buyer of life insurance, a system which is peculiarly adapted to his needs. The cities are overbuilt and the factories are too large but the farming sections are underdeveloped and offer tremendous opportunities for further enterprise and initiative. There are movements on foot both to relieve the farmer of excess taxes and high interest rates; just how far these will go will probably depend upon the extent of the success of the farm allotment plan, if adopted. The big fact is that the public spotlight is swinging around to the plight of both the railroads and the farmers and if American ingenuity and enterprise still mean anything it is to be assumed that at least partial solutions will be found. The spirit abroad is one of hopefulness.

Reference Made in Recent Article Misconstrued

In the Jan. 13 issue I wrote:

"Then the straight-out twister appeared, frequently with a second-rate and high commission company. In certain centers, brokers and even regular agents, saw easy money in lapsing and reselling large policies. One broker in a large city is said to have five 'contact' men working for him, getting the cases lined up for him and he presents written statements and statistics backing up his argument that it is best to drop the old insurance and take new policies. His 'contact' men are not permitted to write the business themselves, they merely uncover the cases. This broker's policies are said to average \$30,000 each. Presumably he is placing much of his business in the poorer companies because the best ones will not tolerate the practice."

A few days following, this department was advised to the effect that Ralph E. Parker of the Parker Associates, Inc., of Boston, had had the article pointed out to him, with the statement that it apparently was directed as an attack against him.

The writer wishes to state emphatically that he did not have Mr. Parker in mind in any sense whatsoever and that, since the article was written, he has been invited by the Parker Associates of Boston to make a thorough investigation of their work with the understanding that the Parker Associates will stand the expense. He has been further advised that Mr. Parker's business has been, and is being accepted by the leading companies. The writer has been advised still further that the Parker Associates keep a complete record of each transaction, and that that record is always available to properly interested parties.

Through correspondence with Mr. Parker, the writer has been advised that the business of the Parker Associates deals entirely with the protection of the client's interest, and that he intends to continue to operate in exactly the same manner in which he has operated to date.

E. H. Jennings has been made superintendent of the Prudential in Omaha No. 1. He started in New York No. 12 in 1924. Two years later he was made an assistant. He was transferred to Kansas City No. 3 as an assistant in September, 1931.

New Governor Trying to Clean Tennessee's Slate

EXPLOITERS STILL AT WORK

Rogers Caldwell Crash There Did Irreparable Harm—Insurance Department Being Renovated

NASHVILLE, Feb. 9.—Tennessee is gradually cleaning itself up after the Rogers Caldwell-Luke Lea debacle which brought about the greatest financial disaster the south has sustained in years. The new state administration is believed to be determined to restore the state's prestige at any cost. Governor McAlister announced Tuesday he was giving up Luke Lea to the North Carolina authorities to serve the lengthy jail sentence he has drawn for conspiracy to defraud the Central Bank & Trust Co. of Asheville of more than \$1,000,000. Lea is publisher of a prominent Nashville paper and of course has powerful friends. He is resisting extradition to North Carolina through habeas corpus proceedings.

Rogers Caldwell Starts Up

Meanwhile Rogers Caldwell & Co. have started up at the old address at 400 Union street as dealers in securities and are advertising in the local papers. So far as can be learned the Caldwell firm is not interesting itself in insurance company manipulations, although a part of the old plan of the Associated Life Company, which was to consolidate a number of southern companies, is said to be under way, with a number of promoters mentioned as its engineers.

There are evidences that the Tennessee insurance department will be much more ably conducted under Superintendent J. S. Tobin and that it will be more strict in its attitude than has been the case for some time past. Mr. Tobin is a former agent from Memphis and is regarded as a man of strict integrity who is determined to do his share of the house-cleaning in Tennessee.

Cleaning Up the Department

Just now he is engaged in cleaning up his own department and is still looking for \$100,000 of Arkansas Power & Light Company bonds, missing from the blue sky division of the department of insurance and banking. Commissioner Tobin has announced that a thorough check of the entire department has been ordered by outside, disinterested auditors.

Considerable indignation has been expressed in insurance circles that following the Rogers Caldwell disaster, exploiters should have the nerve to take up the consolidation of companies embraced in the Associated Life Company idea where the Caldwell interests left off.

Some Departments Waking Up

Companies mentioned in this connection are almost certain to lose prestige in the insurance business with the inevitable result that a run will be started on them for cash values. The history of the Inter-Southern Life, Security Life and other failures is too poignant in the minds of the insurance public to inspire any confidence whatever in any consolidation or promotion enterprise.

And there is evidence that some of the insurance departments at least are at last waking up to their duty and are prepared to bring promoters about whom rumors have been gathering to a strict showdown.

McKinley to Give Paper

At the next meeting of the Chicago Insurance Lawyers Club next Wednesday evening, Attorney A. A. McKinley will read a paper, William McKinley will tell an interesting story and John R. Montgomery, Jr., will give a review of current insurance decisions.

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Keeping Up With Group Insurance

Recent conditions have demonstrated the status of group insurance in the estimation of purchasers.

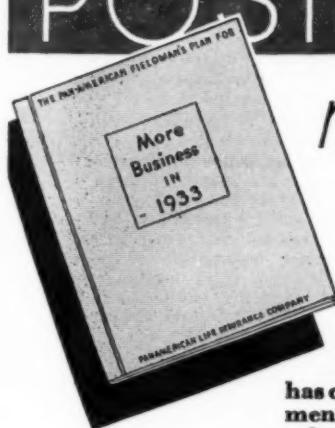
Management and employees have worked together to prevent lapse even where unemployment has seemed to make it inevitable. The amount in force per employee has increased.

Life insurance salesmen should be preparing themselves for a very active market not only for life insurance but also for accident and sickness insurance and retirement annuities on the group plan.

**Connecticut General
Life Insurance Company
Hartford, Conn.**

**POSITIVELY/
more business**

**COMES FROM
PROPER
PLANNING**



That's why the Pan-American's plan for "More Business in 1933" has changed the year's outlook for Fieldmen of the Company. Embracing all other sales aids extended by the Pan-American and adaptable to the work-habits of every individual Underwriter, the plan has enabled Fieldmen to set up their own sales objectives and has supplied the means of reaching those objectives.

For complete information about Pan-American contracts, see the General Agent or Manager nearest you, or write

**TED M. SIMMONS
Manager United States Agencies**



**PAN-AMERICAN LIFE INSURANCE CO.
NEW ORLEANS, U.S.A.**

CRAWFORD H. ELLIS, President

EDWARD G. SIMMONS, Vice Pres. & Gen. Mgr.

Drifters

from first one organization and one job to another organization and another job may gain much experience, but they endanger the morale of their more reliable associates and leave behind only painful memories.

"Birds of passage" are a detriment to the institution of life insurance and a source of constant trouble, dissatisfaction, and expense. The poor workman quarrels with his tools and the inept salesman is quick to blame his lack of progress upon his company—blind to his personal failure as against the success of others connected with the company that he forsakes.

Stick to your company, as you expect it to stick to you, for "the place to make good is right where you are!"

**AMERICAN CENTRAL LIFE
INSURANCE COMPANY
INDIANAPOLIS, IND.**

The Great American Life Insurance Co.

Hutchinson, Kansas

STEPHEN M. BABBET, President

Sixteenth Financial Statement December 31, 1932

ADMITTED ASSETS

First Mortgage Loans on Real Estate.....	\$ 984,300.50
Policy Loans and Liens (Secured by Reserve).....	474,394.39
U. S. Government Bonds and Cash.....	46,737.07
Municipal Bonds.....	1,000.00
Real Estate (including Home Office Building).....	96,958.25
Interest Due and Accrued.....	36,226.43
Net Uncollected and Deferred Premiums.....	30,434.01
Due on Reinsurance.....	2,500.00
All Other Assets.....	4,008.19
Total	\$1,676,559.84

LIABILITIES

Legal Reserve for Policies in Force.....	\$1,340,893.63
Extra Reserve for Other Policy Liabilities.....	30,245.42
Premiums Paid in Advance.....	821.03
Unearned Interest Paid in Advance.....	9,987.93
Reserve for Taxes and Bills Due and Accrued.....	7,174.27
Death Claims Pending Completed Proofs.....	3,000.00
All Other Liabilities.....	8,052.29
Total	1,399,974.57
Capital Stock	100,000.00
Surplus	176,585.27
Total	\$1,676,559.84

INSURANCE IN FORCE \$8,241,033.00

SOME ACHIEVEMENTS IN 1932

Total Premium Income.....	\$ 266,664.11
Total Interest Income.....	83,074.66
Increase in Admitted Assets.....	35,541.38
Excess of Income Over Disbursements.....	32,798.67
Increase in Policy Reserve.....	11,569.13
Increase in Surplus.....	16,093.57
Policy Reserve, 1932.....	1,370,939.05

ASSETS IN EXCESS OF POLICY LIABILITIES \$276,585.27

Paid Policy Holders Since January, 1918..... \$1,230,986.40

Thirteen Offers for Illinois Life

(CONTINUED FROM PAGE 5)

Steel Corporation and subsidiaries, called for reinsurance of the Illinois Life, assumption of all policy liabilities, subject to any liens decided upon by the court, and putting in \$1,000,000 surplus and \$250,000 capital in cash. The latter item, it is learned, undoubtedly would be placed immediately at \$500,000. Prominent business men of Chicago are behind Mr. Kemper in the proposal and the reinsurance will be effected through the Associated Mutuals, Inc., of Boston. Behind the picture is the great Kemper fleet of insurance companies, headed by the Lumbermen's Mutual Casualty.

It is emphasized that the Kemper proposal would allow full credit on any liens for appreciation of Illinois Life assets after the effective date of reinsurance, which is contrary to usual practice in such deals, it was said. It was estimated that even on endowments, which usually suffer the most in any reinsurance deal involving a lien, all deficiency would be discharged within ten years and endowments would be paid in full at maturity.

The Kemper offer contemplates form-

ing a legal reserve stock company whose charter would provide that capital paid in by the stockholders might be retired upon approval of two-thirds vote of the stockholders and two-thirds vote of policyholders. Afterwards the company would operate purely as a mutual, the policyholders electing half the directors and stockholders the remainder. Upon retirement of capital stock, policyholders would have complete control.

Provision for Lapsation

The company would be organized to write life and accident and health insurance. All valid death claims would be paid, including additional accidental death benefits for deaths occurring either prior to or subsequent to Nov. 28, 1932, for the full amount under the terms of the contract. If cash turned over by the receiver as a part of the agreed on assets were not sufficient to pay all such claims for death occurring on or prior to Nov. 28, 1932, then the balance would be paid out of such agreed on assets. The policyholders would pay the same premium as heretofore paid to the Illinois Life. Liability would be assumed as of Nov. 28, 1932, upon survivorship contracts, which would be reduced in the same proportion as the total lien bears to the total reserves, such reduced

amount to be increased from time to time by credits.

All other liabilities of the Illinois Life reinsured as of Nov. 28 would be reduced and fixed in the same proportion. Policies which lapsed in accordance with their terms since Jan. 1, 1932, would be reinstated upon satisfactory evidence of insurability and payment of premiums in arrears, with interest, provided that any policy lapsed since Nov. 28 would be reinstated without evidence of insurability. Such reinstated policies would be entitled to full rights and privileges as policies in full force upon Nov. 28.

Lapsed policyholders would be notified, but lacking compliance with reinstatement provisions within 60 days, there would be no further liability under these contracts. Policyholders otherwise would be entitled to nonforfeiture privilege for extended insurance in that amount which the unencumbered portion of the policy less lien and interest would purchase.

The Associated Mutuals under the arrangement would be paid actual and reasonable cost of conducting the reinsured business.

Increase, if any, in reserves on any policy accumulated out of premiums paid subsequent to Nov. 28 would be available to each policyholder for cash policy loans and surrender values, but

net reserves on Nov. 28, less liens, would not be available prior to Dec. 31, 1937.

The procedure set forth in the proposal for determining the amount of lien would be to ascertain the total net equity of all policyholders (which would be the net reserves under all policies), less any policy indebtedness; and present value of all survivorship contracts less any indebtedness thereon. The total of these two items would be deducted from the total amount of agreed on assets received by the company after deducting the total amount paid therefrom for death claims, and present value of all other liabilities assumed, except those for life insurance and survivorship contracts. The difference would be the amount of lien, which would remain in effect until fully discharged, bearing 4½ percent interest from Nov. 28.

Death Claims in Full

The amount of the lien and accrued interest thereon would be deducted from any payment made pursuant to the terms of any policy or from any settlement thereunder, or from the value used to purchase any extended insurance; but there would be no deduction on account of the lien from the amount payable on any death claims, except after final liquidation of remaining assets. If upon final liquidation, but not later than Dec. 31, 1947, the lien would be found not fully discharged, the company would determine the balance due, which would be charged against the policyholders reinsured and deducted from all policy settlements thereafter made.

A provision is that if at any time total amount of death claims and other matured liabilities on business reinsured would equal or exceed total value of all assets theretofore accepted by the company and all cash or income realized from the reinsured business, then the company would have the right to issue its policy of the same general type to each policyholder reinsured at the then attained age, after which the rights of policyholders reinsured would be fixed and determined by the terms and conditions of the new policy.

To Pay Agents' Commissions

Renewal commissions would be paid agents at the rate of 5 percent for aiding and assisting in conserving the business, but not to exceed a period of nine years from the date of the first commission paid on the business by the Illinois Life.

The Kemper companies' statements disclose unusually liquid condition. The Lumbermen's Mutual Casualty shows nearly \$3,500,000 cash and due from banks, about \$4,223,000 in U. S. government bonds, \$4,714,000 in state and municipal bonds, all of high grade; \$2,393,741 in first mortgage city real estate loans, \$817,000 public utility bonds and stocks, all of high grade.

The American Motorists of the same fleet shows \$3,780,636 total assets, including \$605,043 cash and due from agents, \$772,382 U. S. government bonds, \$1,330,923 state and municipal, \$452,033 first mortgage loans on real estate, \$364,975 public utility bonds. It is said the companies have no farm loans.

Old Line's Proposition

J. C. Seitz, Chicago consulting actuary, presented the proposal of the Old Line Life which he worked out. The plan would wind up the receivership instead of prolonging liquidation 10 to 20 years. Instead of taking a lien against policies, the Old Line would take over assets at an agreed price and issue paid-up insurance, either life or endowment, equal to its pro rata share of assets per policyholder. As assets were liquidated, the amount of paid-up insurance would be increased through later dividends.

It was said as this would work out, a policyholder with \$150 equity would get a paid-up policy for approximately \$450. He would be given an additional policy at the same premium rate as paid under the old Illinois Life policy for the amount of insurance which the premium would buy at his attained age, next fol-

SAFE Beyond Challenge!

Financial Statement as of December 31, 1932

ASSETS

First mortgage loans.....	\$14,883,785.72
Bonds	7,266,036.03
U. S. Government, State, County and Municipal. \$2,153,469.13	
Public Utility	3,033,747.34
Railway	334,027.40
Industrial and Miscella- neous	1,744,792.16
Preferred stocks	336,644.39
Loans to policyholders.....	11,663,509.04
Collateral loans	121,500.00
Home Office Buildings (Sacramento and San Francisco)	3,418,419.81
Other real estate owned.....	2,239,986.19
Balances due from property sold under contract	164,398.38
Premium notes on policies in force.....	425,192.83
Cash on hand	1,083,360.44
Interest due and accrued, premiums in course of collection, and other assets	2,152,470.51
TOTAL GROSS ASSETS.....	\$43,755,303.34
Less book value of bonds and stocks in excess of market value.....	262,106.43
TOTAL ADMITTED ASSETS....	\$43,493,196.91

(In this statement bonds not subject to amortization and all stocks are valued at market quotations as established by the National Convention of Insurance Commissioners.)

LIABILITIES

Reserves set aside to meet all insurance obligations, as they may fall due.....	\$38,594,008.92
Reserves for policy claims awaiting proofs	133,511.25
Interest and rents paid in advance.....	339,215.00
All other liabilities	684,065.19
Surplus to policyholders	3,742,396.55
(Paid in capital, \$1,741,656.25; Surplus, \$1,000,000; Contingency reserve for security fluctuation, \$1,000,740.30.)	
GRAND TOTAL	\$43,493,196.91

LIFE insurance is ever thoughtful. It is built upon the principle of preparedness which Joseph recommended to a Pharaoh of Egypt thirty-four hundred years ago. It is the one plan which has caught and held the universal attention of humanity and proved itself dependable under all conditions. It stores the savings and surplus of policyholders not required for their immediate comfort against the undisclosed needs of the future.

California-Western States Life Insurance Company is proudly a strong unit and a working expression of this system of legal reserve life insurance. Its record of the last year has been a demonstration of safety and integrity.

During 1932 this Company disbursed over \$8,000,000 on account of policyholders. Of this sum \$2,500,000 was for death benefits and the remainder went to living policyholders. Total income for 1932 was over \$12,000,000.

There has been invested or held in reserve for the carrying out of policy contracts now in force the sum of \$38,594,008. In addition, capital, surplus and supplementary reserves total \$3,742,396. The annual statement showed cash on hand of \$1,083,360, a sum far in excess of that required for normal disbursement.

The financial condition of this Company is excellent. It has borrowed no money from the Reconstruction Finance Corporation or any other agency. It improved its cash position during the year by the addition of over \$400,000 to surplus. The ratio of approved assets to liabilities and the liquidness of assets were never more favorable, in the history of the Company.

Insurance in force exceeds \$237,000,000.

The adjoined financial statement is a detailed exhibit of strength, progress and preparedness.

Liberal direct Home Office, with life income plan, for Field Representatives. All modernized standard policies, annuities, accident and health, non-medical.

CALIFORNIA-WESTERN STATES LIFE

J. ROY KRUSE, President

SACRAMENTO, CALIFORNIA

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lowing the date of receivership. The difference between the old policy and the total of the new policy would represent his share of losses under Stevens' management.

The Old Line would provide for participation by the policyholder in paid-up insurance under definite rules. The new policies would be nonparticipating, as they would be issued with the low non-participating rates of the Old Line. The plan is a new one in reinsurance and makes a clear-cut arrangement for insured and company.

Mr. Seitz in his arguments before the court called attention to the problems faced by all insurance companies on account of so many policies being pledged for policy loans, and said that now is the ideal time to clear up all indebtedness against Illinois Life policyholders.

Many Notables Present

C. G. Revelle, former Missouri insurance superintendent, presented a proposal of the Continental Life of St. Louis. He was introduced to the court by former Senator Charles S. Deneen. Ralph Potter presented the offer of the Illinois Bankers Life; L. A. Stebbins that of the Life & Casualty of Chicago. F. B. Mead, vice-president Lincoln National; D. A. Day and R. W. Stevens, former president of the Illinois Life, were interested spectators in court.

In general the other proposals were: Insurance Equities Corporation, to form new company; Lincoln National, to reinsure; a group of fraternals, to manage the company and reinsure its business; Life & Casualty to reinsure; Continental of St. Louis, to reinsure; Illinois Bankers of Monmouth, Ill., to reinsure; each of two committees of policyholders, to mutualize; Central Life of Iowa, to reinsure; A. S. Hansen, to form a new stock company; Missouri National, to reinsure.

General Davis Officiates

General Abel Davis, the receiver, introduced many of the company representatives and commented on the offers. Illinois Life policyholders, it was assured, would be treated equitably. Some offers contemplated reinsuring the deficiency lien. Speakers emphasized that the Illinois Life's business is above the average in quality and any lien necessary to expedite reinsurance would be generally eliminated, it was said.

There was some argument over the question whether policyholders would benefit most from reinsuring in an Illinois company or one out of state, the Illinois contingent arguing there would be a saving in policy taxes and also through using the fine home office building on Lake Shore drive and the old personnel.

Comments on Negotiations

Abel Davis, in making his report to the court, said that early in the receivership he had approached President Ecker of the Metropolitan Life, Franklin D'Olier, vice-president in charge of administration of the Prudential; the Equitable Life of New York, President Cleary of the Northwestern Mutual and President H. A. Behrens of the Continental Assurance, to ascertain from them the basis on which the proposals ought to be solicited and the important features of the business of the Illinois Life from the standpoint of its insurance activities as well as on its investments.

While Fackler & Breiby were examining the various proposals, General Davis said that he caused investigation of the financial standing of the companies that made proposals. The receiver said a company to assume the risk should have sufficient capital, surplus and contingent funds to meet reasonable requirements of the undertaking. An inquiry was made as to management and staff of each company making a proposal.

The receiver made it clear that the proposing company as far as possible should provide for settlement in full and without deduction for reinsurance or other adjustment claims for deaths which occurred prior to the receivership

and on death claims during the receivership. He also desires the reinsuring company to reinstate policyholders without medical examination who lapsed their policies.

The question of annuities was taken up, and of survivorship policies.

Arraignment of the three Stevenses, James W., 80, the father and former chairman of the board of the Illinois Life; R. W., former president, and E. J., former vice-president, on conspiracy and embezzlement indictments is set for Friday before Chief Justice John Prystalski of the criminal court in Chicago. The embezzlement charge mentions more than \$1,000,000. The three men are under \$25,000 bond each.

U. S. Supreme Court Soon to Hear Important Case

The famous Wisconsin case involving the right of the insurance commissioner to revoke a company's license for refusal to transfer a suit back to a state court, is set for hearing before the United States Supreme Court the week of Feb. 13-17, but possibly may not be reached before March, as the court will recess Feb. 17.

W. M. Bullitt, prominent Louisville

attorney, has become associated with the company's defense.

The case originated in Wisconsin when the Security removed a case from the state to federal court and Commissioner Mortensen gave notice he would revoke the company's license unless it transferred the case back. A temporary restraining order against the commissioner was secured in the United States district court, and later was made permanent.

Old Ruling Is Cited

The point at issue is an important one. Thirteen years ago Chief Justice Taft wrote an opinion in the case of Terral, secretary of state, vs. Burke Construction Company, declaring unconstitutional state laws providing for revocation of licenses of foreign corporations which invoke protection of federal courts. Attorney Bullitt represented the Burke company in that case.

Another important decision on this point was in the case of Security Mutual Life vs. Pruitt, in which the Supreme Court had upheld the Kentucky law canceling license of the life company for removing a case to the federal courts. Justice Taft ruled that the opinion in this case must be overruled and the minority opinion considered as the law.

Albie Booth Joins the Massachusetts Mutual

Albie Booth, diminutive star of the Yale football team and its captain last year, has entered the life insurance business with the Massachusetts Mutual. He was signed up by Vaughn V. Moore, agency organizer for the James A. Walsh agency of the Massachusetts Mutual of Hartford. Booth will be district manager of the New Haven area. Mr. Moore was formerly a star football player at Iowa. He will supervise the training of Booth.

Dr. Lawrence Abbott Dies

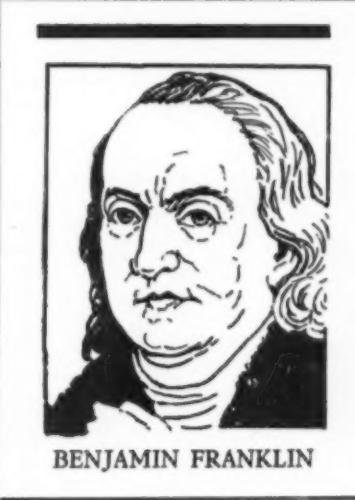
Dr. Lawrence F. Abbott, for 15 years a director and since 1931 secretary of the New York Life, died at his home in New York City after an illness of several months. He was in his 76th year.

Johnson Gets R. F. C. Post

H. W. Johnson, manager at Omaha for the Phoenix Mutual Life, has been appointed assistant director of agricultural credit corporations for the Reconstruction Finance Corporation.



Great Salesmen of History



BENJAMIN FRANKLIN

NO American statesman has left a deeper impression upon the habits of our people than Benjamin Franklin.

Unusually versatile, any one of his accomplishments in science, philosophy or statesmanship would have secured for him a place in history. Yet, he is best known for the virtues of industry, perseverance, generosity and self mastery he worked out for his own life.

In those dark days that followed the Revolution, he proclaimed by speech and printed page the necessity for thrift and constructive habits as vital factors in the life of a new nation.

So fundamentally sound were his preachers that we find them poignantly applicable even today.

Each week our National Thrift Week opens on the anniversary of the birth of America's Apostle of Thrift—a fitting tribute to Franklin's great salesmanship of a homely virtue.



ROYAL UNION LIFE INSURANCE COMPANY

DES MOINES, IOWA

T. J. McCOMB
Chairman of the Board

J. J. SHAMBAUGH
President

THE NATIONAL UNDERWRITER

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 GEORGE A. WATSON, Associate Editor
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Reconstruction Finance Loans

It is unfortunate that the life companies that have negotiated loans from the RECONSTRUCTION FINANCE CORPORATION seem to be the target for innuendo on part of agents of companies that have not sought such a loan. The inference is that there must be some disgrace about it. There is no company but has its troubles of various kinds these days. There are very few companies that pursued wilfully a dangerous investment policy. Most companies in making their original investments thought that they were pursuing a wise course.

Take, for instance, farm loans. In days gone by, the farm mortgage was supposed to be the ideal investment for a life company. Many companies leaned heavily towards railroad securities, thinking that the great carriers of the country offered impregnable security. Others leaned toward municipal bonds, not thinking there was any danger of default.

Companies have adopted various ways and means of meeting a situation where they found it necessary to reinforce their current income with more liquid or cash resources. Some companies borrowed from banks. Others sold some of their early bond maturities. Some went to the RECONSTRUCTION FINANCE CORPORATION. Unfortunately for life companies that borrowed from the R. F. C., their names are made public and a certain stigma attaches to it,

although there is not the slightest reason in the world for it. Many companies have profited indirectly from R. F. C. loans to railroads and other enterprises where they own bonds even if they secured no direct loans.

Sometimes we wonder whether the men in the life insurance business itself have not been the cause of many of the destructive tendencies that have arisen during the last three years. Business, of course, is hard to secure. Agents take advantage of this situation or that. There has been no question arisen as to the wisdom of a railroad or a bank securing R. F. C. loans. That was looked upon as a natural and logical move. Some life companies have desired to improve their cash position. With the constant hammering for loans and surrenders they did not want to run too close to shore. The commercial banks have tightened up on loans. They do not want to loan money on securities that are perfectly good and hence the R. F. C. comes in much the same as the federal reserve bank system has done for member banks.

In the opinion of THE NATIONAL UNDERWRITER there should be a right about face so far as these Reconstruction loans are concerned. There should be no reflection on a company that makes a loan of this kind any more than if it made a loan at a bank.

Strengthened from Within

MARCUS AURELIUS once said, "Man must be arched and buttressed from within, else the temple wavers to dust." That is, the individual in his emotional, mental and spiritual existence must have within himself the power to resist disintegrating forces. Men look too much to material accomplishments for satisfaction. When they are disappointed in results or when

the material is swept away, they become terrified. They rely too much on outside support in the day of trouble. When these fail they become bewildered and panic stricken. They should be self reliant. Men have developed individualism largely on the outside. They have neglected the inner props that make for stability in times of stress.

No Activity Is Immune

Most people feel that their own special activity has a majority of the troubles and annoyances. As a matter of fact, there is no business, no enterprise or no profession but what has its full share of the complexities and harassments. There

is no one that has fair weather all the time. Therefore one should believe in the work in which he is engaged and not be looking for fairer pastures in some other line. Very few men are living up to present opportunities.

PERSONAL SIDE OF BUSINESS

Bunn Hearn of Wilson, N. C., Reliance Life agent, was former pitching ace of the New York Giants. He has just observed his 12th anniversary with the company. He gives all his time to the Reliance Life. He has placed on the books more than \$1,500,000. He went on the famous world tour with the Giants and Chicago White Sox some years ago when baseball was played as an exhibition in a number of foreign countries. John McGraw managed the Giants on the trip and James Callahan, the White Sox.

E. M. Ackerman of Chicago, secretary of the Illinois Insurance Federation, went by airplane to New York to attend the funeral of his mother, Mrs. Walter Ackerman of Irvington-on-Hudson. Ceremonies were held at the home and burial was in the famous Sleepy Hollow cemetery at Tarrytown. There had been no hint of Mrs. Ackerman's sickness and it is thought she was a victim of heart disease.

W. S. Hendley, South Carolina manager for the Mutual Life of New York, with headquarters at Columbia, was given a complimentary dinner by his office force in honor of his 33d anniversary with the company.

A record for low lapse ratio is claimed by C. E. Winters, Birmingham, Ala., general agent for Security Life & Trust and president of its \$200,000 Club. He states that not a single policy written in 1931 has lapsed or terminated and that only 8 percent of his total business in force at the end of 1931 has terminated through all causes. He closed 1932 without a single death loss, with only one since 1929 and four since 1925.

Mr. Winters, who has been president of the \$200,000 Club since 1925, more than doubled his 1931 business in 1932. His smallest application was for \$5,000 and his next smallest \$7,000. He didn't lose a cent on notes. He did not have a single complaint from a policyholder and does not owe the company a cent.

Lloyd B. Damron, 52, former superintendent of agents for the International Life, and more recently an investment broker, in St. Louis, died suddenly from a heart attack. He entered life insurance work in 1900 when B. W. Lacy, now president of the All-States Life of Montgomery, Ala., and then with the State Mutual Life of Rome, Ga., induced him to become publicity director for that company. He went to St. Louis in 1915 to serve as superintendent of agents for the International and held the post for about ten years, until Massey Wilson and J. L. Babler disposed of their interests in the company.

An unusual record for selecting and training "winners" was held by W. I. Fraser, Lincoln, Neb., agency manager for the Bankers Life of Des Moines, who died suddenly of a heart attack. Mr. Fraser had charge of Lincoln territory for ten years. During that decade, four men whom he persuaded to enter the life business and whom he trained as successful salesmen of his agency, have become agency managers for the Bankers Life in their own right: Mr. Fraser's oldest son, W. A. Fraser, agency manager at Lawrence, Kan.; H. C. Portwood, agency manager at Peoria, Ill.; L. C. Waring, agency manager at St. Louis, and G. D. Curry, agency manager at Mankato, Minn.

Mr. Fraser, who was 60 years old, started with the Central Life of Iowa in 1905. He had been very prominent in association work in Nebraska.

Emmet C. May, president of the Peoria Life, was guest of honor at a surprise banquet recently tendered by the Pelico Club, the male employees' organ-

ization of the Peoria Life, and the Tower Club, the women's organization. The occasion was the completion by Mr. May of 20 years as president. Mr. and Mrs. Walter E. May engineered the surprise. More than 275 employees and their wives attended the function.

The printed menu had a silver cover in recognition of the Peoria Life's 25th anniversary and it was tied with purple cord. To each item of the menu was assigned a name associated with circumstances of Mr. May's career.

The toastmaster was Aaron Seyller, president of the Pelico club. Miss Margaret de Vries, head of the Tower club, presented Mr. May with a testimonial, signed by 203 employees and officers.

The Scranton Life is conducting a special drive for business in February in honor of Benjamin Freifelder, who has been with the company for 23 years. He is the dean of its general agency force.

Isaac B. Snow, former western superintendent of agencies of the Massachusetts Mutual Life, and father of Medical Director Morton Snow of the company, died at Bernardston, Mass., the other day. He took up life insurance work in 1879, becoming general agent in Kansas for the Massachusetts Mutual. From 1881 to 1888 he had charge of the agency at St. Louis and in 1889 was made superintendent of western agencies with offices at Topeka and Chicago. After 1896 his headquarters were at Chicago. He opened up many new agencies in the west, far west, middle west and south. He retired in 1909.

J. C. Rietz, actuary of the Midland Mutual, is seriously ill in a hospital in Columbus, following an emergency operation for appendicitis.

W. T. Tanking, Jr., district manager New England Mutual Life at Racine, Wis., has announced his candidacy for the nomination for mayor of that city at the spring election.

M. J. Cleary, president Northwestern Mutual Life, has been elected second vice-president of the Milwaukee Association of Commerce.

Alfred J. Riley, assistant mathematician Mutual Benefit Life, is celebrating his 25th anniversary of service.

In celebration of his 30th anniversary with the Prudential, H. W. Bonhage was guest of honor at a meeting of the Mission Optimists Club in San Francisco last week. Approximately 50 of Mr. Bonhage's agents were present to pay homage to their "chief." A number of life men from other companies were also present including Ben F. Shapro, general agent Penn Mutual Life, who made a short address. G. W. Reid, also of the Prudential, who recently celebrated his 41st anniversary with the company, was also a guest at the luncheon.

Dr. George A. Van Wagenen is celebrating his 55th anniversary as medical director of the Mutual Benefit Life. Though Dr. Van Wagenen has practically retired from active service, he still takes an active interest in the affairs of the company and in the medical board. Last October 3 he celebrated his 87th birthday.

C. C. Herrick, who will be 90 years old in June and celebrates his 30th anniversary with the Prudential in May, was the subject of an interesting feature story in the Newark "Sunday Call." Mr. Herrick is believed to be the oldest living life insurance man in active service in this country and is affiliated with the Van Vliet & Keer agency of the Prudential in Newark.

NEWS OF THE COMPANIES

January Increases Reported

Northwestern National Gains 10 Percent —Freeman Leads Lincoln National— Continental American Prospects

The Northwestern National Life increased its new business and insurance in force in January about 10 percent. The White & Odell agency of Minneapolis made the best showing with a total of 367 applications for \$1,004,309 insurance.

* * *

Vice-president Martin of the Continental American Life of Wilmington, Del., reports its written business was 55 percent more in January than in the similar month of last year. Its placed business was 47 percent more. First year premiums increased 49 percent.

* * *

F. T. Freeman, Detroit general agent, led the entire field force of the Lincoln National Life in the volume of paid business on old policyholders for January. O. F. Gilliom, Berne, Ind., and C. B. Rittenberry, Amarillo, Tex., were next in line. Mr. Gilliom was first in the number of paid applications on old policyholders with S. H. Annis, of Detroit, second. The average-sized policy paid for on the lives of old policyholders was greater than \$4,500.

* * *

The National Life & Accident, Nashville, reports an increase in January business. Industrial premiums gained 15 percent, collections 5 percent and ordinary business is being received at the home office at the rate of almost \$1,000,000 a week.

Nebraska Merger Held Up

LINCOLN, NEB., Feb. 9.—Judge Frost in district court ordered a postponement of the meeting of policyholders of the Home Guardian Life, set for Feb. 4, to pass on contract for reinsurance in the American Reserve Life of Omaha, made by its directors and approved by the insurance department, until he can hear arguments and pass on its legality. The contract is attacked by a group of policyholders, several of whom were associated in one capacity or another with the Missouri Valley Life, absorbed six months ago by the Home Guardian company.

Will Write Life Insurance

The National Accident of Lincoln, Neb., has changed its name to the National Assurance. It has modified its articles of incorporation to permit it to write life insurance in addition to accident and health. G. L. Waters is president; J. L. Champe, vice-president; L. L. Waters, secretary-treasurer, and W. L. Harlan, agency supervisor.

Jefferson National Active

The Michigan Securities Commission has authorized the sale of 10,000 shares Jefferson National Life of Detroit, located at 305 Barlum Tower. These shares are to be sold at \$100 each, \$50 par. M. E. O'Brien, formerly president of the Detroit Life, is president of the new company.

Thornton Agency Secretary

O. C. Thornton has been elected agency secretary of the Midland Life of Kansas City, to succeed R. P. Rice, resigned. Mr. Thornton formerly was assistant secretary.

Suit for Receiver Filed

Suit has been filed in district court at Lincoln, Neb., by Effie Pruitt of Omaha, a stockholder of the National Old Line Life of Lincoln, for herself and others,

asking that a receiver be appointed. She owns four shares of stock, and claims the value was misrepresented. The company was originally the National Automobile.

Made Public Relations Counsel

Dr. F. W. Barnett, widely known in Alabama as a journalist and Baptist minister, has been appointed public relations counsel for the Protective Life of Birmingham. He expects to spend much time in the field.

McKay Assistant Secretary

M. C. McKay, conservation director of the Business Men's Assurance, was elected assistant secretary at the annual meeting. He joined the Business Men's in 1931, after having been connected with the Home Life of Arkansas as conservation manager. He has done some effective work in conservation.

Kentucky Home Report Not Ready

LOUISVILLE, Feb. 9.—Lee P. Miller, vice-president Fidelity & Columbia Trust Co., Louisville, who has been working on a program to submit to the Franklin county circuit court for straightening out troubles of the Kentucky Home Life, states that it will be at least a week or ten days before a report will be made. The stockholders' meeting set for Feb. 7 was again postponed for two weeks.

Amicable Has \$820,000 Capital

In the Jan. 20 issue, the second column in "Figures From the Dec. 31, 1932, Statements" was headed "capital." This should have been "increase in assets." The \$121,664 figure for the Amicable Life was its increase in assets, while its capital is \$820,000.

R. E. Dowling, president of the City Investing Company of New York City, has been elected a director of the New York Life to fill the vacancy caused by the death of the late D. P. Kingsley. The position of chairman of the board, which Mr. Kingsley held, has not been filled and action has been deferred indefinitely.

Chicagoan to Talk Four Times Daily for a Week

John R. Hastie, associate manager Heifetz agency of the Mutual Life of New York in Chicago and president Chicago Association of Life Underwriters, Feb. 18 will start a whirlwind series of 45-minute talks before Canadian life underwriters associations which will call for 24 addresses within a period of a week. The trip is at the invitation and under the auspices of the Life Underwriters Association of Canada and the talks will be delivered at sales congresses clear across the Dominion to points as distant as Vancouver, B. C.

Mr. Hastie will speak first at the sales congress in Winnipeg, Feb. 20, where he will deliver four addresses, the subjects being "Reorganizing Ourselves," "Prospecting and Applications," "Selling and Closing," "Our Future." These same addresses will be delivered, four a day, as follows: Regina, Sask., Feb. 21; Saskatoon, Feb. 22; Edmonton, Feb. 23; Calgary, Feb. 24; Vancouver, Feb. 28. In the latter city Mr. Hastie's talks will be on the second day of the two-day sales congress.

President Harrison Better

William B. Harrison, president Kentucky Home Life, is showing improvement at the hospital, where he has been for two weeks, following a breakdown at his office, said to have been caused by heart trouble. He will probably remain at the hospital another fortnight.

Business Men's Assurance COMPANY

KANSAS CITY, MISSOURI

Reports Continued Growth

Financial Condition—December 31, 1932

	ASSETS	Per Cent of Gross Assets
Cash on Deposit in Banks.....	\$ 337,935.92	3.5
Mortgage Loans	3,612,145.35	37.3
Government and Municipal Bonds	1,903,083.03	19.6
Federal Land Bank Bonds....	195,471.46	2.0
Industrial Bonds	107,868.62	1.1
Railroad Bonds	37,629.06	.4
Public Utility Bonds.....	26,014.51	.3
Real Estate Owned.....	1,601,753.17	16.6
(Including Home Office Building from which gross rental income of \$125,532.18 was received in 1932).		
Policy Loans	930,588.05	9.6
Interest and Rents Due and Accrued	132,833.44	1.4
Premiums in Course of Collection	697,845.44	7.3
Other Miscellaneous Assets...	83,528.22	.9
Total Gross Assets.....	\$9,666,696.27	100.00
Less Deductions	230,734.61	
TOTAL ADMITTED ASSETS	\$9,435,961.66	

LIABILITIES

Reserve Under Life Policies... \$5,739,286.80

Reserve Under Accident and

Health Policies

Reserve for Taxes..... 123,000.00

Premiums Paid in Advance.... 7,617.40

All Other Liabilities..... 83,700.28

Paid Up Capital... \$500,000.00

Unassigned Surplus 448,126.15

Contingency Surplus 80,000.00

Total Policyholders' Surplus.. 1,028,126.15

TOTAL LIABILITIES . \$9,435,961.66

Bonds are carried on an amortized basis as approved by the National Convention of Insurance Commissioners

HIGH LIGHTS OF 1932 ACTIVITIES

Benefits Paid Policyholders..... \$ 2,838,353.69

(\$ 679,436.07 to Beneficiaries,
283,160.34 to Living Life Policyholders,
1,875,757.28 to Disabled Accident-Health Policyholders)

Paid Policyholders Since Organization 28,807,055.96

New Life Insurance Paid for..... 31,392,049.00

(Total new Life, Accident and Health Insurance equivalent to more than \$55,000,000.00 of Life Insurance).

Life Insurance in Force..... 94,045,882.00

(An increase over 1931).

Increase in Assets..... 784,324.32

Total Cash Income..... 5,647,517.71

Average Interest Earned on Investments 5.85%

LIFE AGENCY CHANGES

Transfer Krick to Hartford

Supervisor for Penn Mutual at Pittsburgh Becomes General Agent in Connecticut

Howard Krick, supervisor in the Holgar Johnson agency for the Penn Mutual Life in Pittsburgh, is being transferred by that company to Hartford, Conn., as general agent. Mr. Krick has been associated with Mr. Johnson since that agency was started about seven years ago. He has been a leader in Pittsburgh insurance circles.

Ralph O. Wood

Ralph O. Wood, formerly with the accident and health department of the Zurich's head office in Chicago and also formerly secretary of the Accident & Health Managers Club there, has gone with Redfield & McGurk, Chicago managers for the Mutual Benefit Health & Accident and the United Benefit Life of Omaha, as unit manager. Before going with the Zurich he was with the accident and health department of the Ocean Accident branch in Chicago.

T. J. Grose

The Yeomen Mutual Life of Des Moines has consolidated its Twin City agencies and state branches into a single organization in the Security building, Minneapolis. T. J. Grose is general agent.

J. W. Sears, J. M. Raines

With the transfer of J. W. Sears to Nashville as branch manager, J. M. Raines, assistant manager, has been advanced to manager of the Travelers at

Little Rock, Ark. Mr. Sears went to Little Rock three years ago from Atlanta. Mr. Raines is a native of Little Rock and has served the Travelers there and in Philadelphia. He was made assistant manager in 1932.

H. R. Cantrell

H. R. Cantrell, formerly with the Aetna Life at Wichita, Kan., has been appointed general agent there for the Monarch Life of Springfield, Mass.

E. L. Williams

Edward L. Williams, educational director of the Macken & Ballou general agency of the Mutual Life of New York in Detroit for the past year, has resigned. He has been with the Mutual Life since 1919. He was agency organizer for several years before becoming educational director.

J. E. Ray, K. L. Bragdon

J. E. Ray, for 15 years with the Equitable Life of Iowa, and recently general agent at Waterloo, Ia., has been succeeded by K. L. Bragdon, well-known business man and civic leader. Mr. Ray will become special representative for serving clients in that territory.

O. E. Johnson

O. E. Johnson, cashier of the Union Central Life agency in Kansas City, Mo., for the past 12 years, has been made assistant manager by Judd C. Benson, branch manager.

N. C. Tulloss

N. C. (Nick) Tulloss has been appointed branch office manager for the Bankers Life of Iowa at Fort Worth, Tex., where he succeeds H. E. Palmer,

resigned. Mr. Tulloss is a veteran member of the Bankers Life sales force. He has been inactive since 1929, when he resigned as agency manager at Dallas on account of ill health. Prior to that time he had been successively a star salesman for the Bankers Life in Kansas City, Des Moines and San Antonio, and later regional sales manager for the Pacific Coast district.

J. C. Avera, James Finlayson

J. C. Avera, for four years Birmingham, Ala., manager for the Metropolitan Life, has been transferred to Harrisburg, Pa. He is succeeded by James Finlayson, manager at Columbus, Ga.

C. R. Hudson

C. R. Hudson has been appointed general agent for the Ohio National Life at Bloomington, Ill. He has wide experience as salesman and field supervisor in life insurance.

Nelson B. Ross

Nelson B. Ross of the Nelson B. Ross agency has been appointed general agent for the Ohio National Life in Dayton, O. He has had wide experience in casualty and life lines. He will continue his casualty business but is also organizing a life department.

N. L. Olsen

Norman L. Olsen, formerly manager of the life insurance department of the California Agencies in San Francisco, has been appointed general agent of the Central Life of Illinois.

C. F. Wetzel, R. E. Jackson

The Cleveland agency of the Ohio National Life now is established in larger quarters at 505-7 Ninth Chester building. C. F. Wetzel, general agent, has just completed his 18th year with the company. He has built up a large clientele in Cleveland. He will devote his

time to general supervision, to writing personal business and servicing business in force. R. E. Jackson has been appointed agency manager and will devote his time to organization and training of agents and to production of personal business. He has been a resident of Cleveland for many years and is thoroughly experienced in life insurance, having served as personal producer and supervisor for a large eastern company.

Harold Pearce

After more than 16 years of service as manager of the Guardian Life at Cleveland, Harold Pearce retires. He has been in poor health and finds it necessary to try and regain his vigor. He joined the Guardian June 15, 1916.

CONVENTIONS

Meet in Chicago Next Week

Program Completed for Conference of Northwestern Mutual Life General Agents

MILWAUKEE, Feb. 9.—The General Agents Association of the Northwestern Mutual Life will hold its annual conference in Chicago Feb. 13-15.

M. J. Cleary, president, Charles H. Parsons, superintendent of agents, and other home office officials will be on the program. On Tuesday, R. M. Hamburger, Minneapolis, will preside. C. L. McMillen, New York City, will talk on "Reviving Production for Old Agents," and will be followed by W. K. Murphy, Los Angeles; H. L. Smith, Harrisburg, Pa., and C. L. Garrett, Sioux City, Ia. Norval A. Hawkins of Detroit is to speak on "The Rapture of Rebeginning—The Challenge of Another Chance."

W. F. Atkinson, Brooklyn, will preside at the session Wednesday morning, when discussions on "Coaching New Agents in Production" will be led by Rudolph Recht, New York City, R. O. Becker, Peoria, Ill., and R. W. Hergesheimer, Philadelphia. In the afternoon J. F. Oates, Chicago, will talk on "Conservation of Business," followed by a discussion led by M. W. Mack, Cincinnati, Henry Phillips, Syracuse, and M. A. Carroll, Oshkosh, Wis.

Arrange for Agency Meeting

Plans for the annual meeting of the Association of Agents of the Northwestern Mutual Life were discussed at a meeting of officers and members of the standing committee at the home office Feb. 5-7. The 1933 meeting will be held July 24-26. Ben S. McGivern, Eau Claire, Wis., chairman of the standing committee, and C. H. Poindexter, St. Louis, president of the association, presided at the meeting. Those attending also included E. H. Earley, Brooklyn, N. Y., vice-president; G. H. Young, Milwaukee, secretary and treasurer; N. D. Phelps, assistant superintendent of agents, as home office representative; H. L. Cramer, South Bend, Ind.; H. M. Files, Cedar Rapids, Ia., F. R. Olsen, Minneapolis, and R. L. Theisen, Lincoln, Neb., members of the standing committee.

New England Mutual Meeting

The New England Mutual Life held a special meeting of general agents in St. Louis this week. George Willard Smith, president; George L. Hunt and Walter Tebbets, vice-presidents; H. M. Frost, medical director, and Charles F. Collins, assistant superintendent of agencies, attended from the home office. Other speakers on the two-day program included: W. H. Meub, Indianapolis, president General Agents Association of the company; A. C. Utter, Detroit; Wilson, Williams, New Orleans; R. J. Quinn, Atlanta, Ga.; G. G. Swanson, Atlanta, and Frank M. See of St. Louis.

22nd Annual Statement

Showing Condition of the Company as of December 31st, 1932

THE FARMERS & BANKERS LIFE INSURANCE CO. OF WICHITA, KANSAS

ADMITTED ASSETS

Real Estate Owned.....	\$ 224,266.02
Carried at Amount of Original Loans, Less Credit on Sales Contracts	
First Mortgages on Real Estate.....	4,608,707.27
On Improved Real Estate Appraised for \$14,642,76.50	
U. S. Government Bonds at Par.....	46,100.00
State, County and Municipal Bonds.....	2,171,862.31
Par Value, \$2,394,135.13	
Railroad, Utility, Industrial Bonds and Stocks	NONE
Loans and Liens on Policies.....	3,220,850.23
Secured by Legal Reserve	
Cash in Banks.....	227,400.48
Time Deposits and Check Accounts	
Advanced to Borrowers for Taxes on R. E.	58,995.24
Accrued Interest	250,760.32
Earned But Not Due on Bonds and Mortgages Not in Default	
Net Premiums in Process of Collection....	249,955.59
Secured by Legal Reserve	
Furniture and Fixtures.....	Charged Off
Radio Station KFBI.....	Charged Off
Total Admitted Assets.....	\$11,058,897.45

LIABILITIES

Legal Reserve on Policies.....	\$ 7,953,333.09
As Required by State Insurance Department	
Contingent Reserve on Policies.....	783,288.70
This in Addition to the Requirement of the Kansas State Insurance Department	
Credits to Policyholders.....	1,300,458.59
Left with the Company at Interest	
Money Borrowed or Interest Paid.....	NONE
Reserve for Taxes.....	110,791.70
Death Claims Due and Unpaid.....	NONE
Death Claims Reported.....	1,000.00
Proofs Not Completed	
Premiums and Interest Paid in Advance..	101,268.30
Special Fund Payable to Policyholders in 1933	100,029.11
All Other Liabilities.....	58,727.96
Capital and Surplus.....	650,000.00
For Additional Protection to Policyholders	
(Thanks for your interest in reading this statement. Further inquiry or comment solicited. Our books and records are open for inspection.)	
Total Liabilities	\$11,058,897.45

GAIN IN ADMITTED ASSETS DURING 1932..... \$ 855,086.84
 GAIN IN INSURANCE IN FORCE, 1932..... 5,401,752.00
 INSURANCE IN FORCE DECEMBER 31, 1932..... 55,249,364.00

The Continuous and Substantial Growth of This Company Is Shown Below:

Radio Station
KFBI
1050 Kilocycles
Largest Broadcasting Station
in Kansas
Owned and Operated by
THE FARMERS & BANKERS
LIFE INSURANCE COMPANY
of Wichita, Kansas

DECEMBER 31ST

Policies
In Force

Amount of Insurance in Force	ADMITTED ASSETS
\$ 1,845,285	\$ 429,268
14,514,88	891,128
31,643,637	3,272,834
42,275,562	6,662,011
55,249,364	11,958,897

Paid to Policyholders Since Organization..... \$7,600,226.48
 On Deposit with the State of Kansas Dec. 31st, 1932..... 6,658,902.19
 This Is the Largest Deposit Ever Made by Any Insurance Company with
the State of Kansas

OFFICERS

H. K. Lindsley..... President
 J. H. Stewart, Vice Pres. & Treas.
 F. B. Jacobshagen..... Secretary
 J. H. Stewart, Jr. Asst. Treasurer
 C. A. Swallow..... Asst. Secretary
 J. Wirth Sargent..... Counsel
 J. H. Burn..... Loan Inspector
 Dr. J. L. Evans..... Medical Director
 J. Van S. Longenecker..... Actuary

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Board of
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initial steps
are now being taken to arrange for a
banquet to be given in honor of Ernest
Palmer, the newly appointed Illinois
insurance superintendent, who recently re-
signed as manager and general counsel
of the board. The banquet will probably
be given in Chicago the evening of May
31, just prior to the beginning of the
annual meeting of the National Convention
of Insurance Commissioners, which
will be held in that city June 1-3. A
general committee will be appointed re-
presenting all branches of the business—
fire, life and casualty. The date has
been set far in advance so that a num-
ber of commissioners can attend, as
many have expressed themselves anxious
to pay homage to the new official. There
will be executives present from all over
the country. The Chicago Board officials
say that it has been necessary to
postpone the banquet until May owing
to the fact that the Illinois department
is under great pressure in shaping up
its work and Mr. Palmer is much occu-
pied.

* * *

S. T. WHATLEY IS HONORED

Chicago life insurance men gave a
farewell banquet to S. T. Whatley, Chi-
cago manager of the Aetna Life, who
on the first of the month takes his new
position as vice-president and head of
the agency department at the home
office. He was presented with a mag-
nificent desk clock. L. O. Schriver, gen-
eral agent of the Aetna Life at Peoria,
and third vice-president of the National

AS SEEN FROM CHICAGO

MEIGS NAMED BY SUPERVISORS

The title of the Agency Supervisors Association of Chicago was changed to Life Agency Supervisors, a constitution and by-laws were adopted and Wayne Meigs, Julius Meyer general agency New England Mutual, was elected vice-president, a new position created. I. B. Jacobs, Spaulding agency Mutual of New York, was appointed program chairman and Z. C. Yates, Union Central, membership chairman. It was voted to increase the dues. The membership is limited to supervisors of life agencies or life departments of general insurance agencies. President Samuel Leland, Jr., of Fred S. James & Co., discussed plans for the meeting of supervisors' associations of the country in Chicago during the annual convention of the National Association of Life Underwriters next fall. The hope of the Chicago supervisors' group, organized over four years ago and said to be the first of the type in this country, is that a national organization some day may be perfected. It is possible some such step may be taken this year in Chicago when the life underwriters meet. A discussion on time control will take place at the next meeting of the Chicago Supervisors.

* * *

BOKUM & DINGLE THIRD

The Bokum & Dingle general agency of the Massachusetts Mutual in Chicago took third place among the company's agencies for paid volume last year. The final months of the year developed a large production, the agency paying for \$1,600,000 in November and well over a million in December. The January paid production was \$1,500,000, but the agency wrote in the month \$2,600,000.

* * *

MISS LUIDENS' MOTHER DIES

Miss Joy M. Luidens, secretary to Walt Tower, managing director Chicago Association of Life Underwriters, lost her mother, Mrs. Peter Luidens of Holland, Mich., by death. Mrs. Luidens, who was 68, was visiting relatives in Rochester, N. Y. The funeral was held in Holland, Mich., Tuesday.

* * *

TO GIVE BANQUET FOR PALMER

Under the auspices of the Chicago Board of Fire Underwriters initial steps are now being taken to arrange for a banquet to be given in honor of Ernest Palmer, the newly appointed Illinois insurance superintendent, who recently resigned as manager and general counsel of the board. The banquet will probably be given in Chicago the evening of May 31, just prior to the beginning of the annual meeting of the National Convention of Insurance Commissioners, which will be held in that city June 1-3. A general committee will be appointed representing all branches of the business—fire, life and casualty. The date has been set far in advance so that a number of commissioners can attend, as many have expressed themselves anxious to pay homage to the new official. There will be executives present from all over the country. The Chicago Board officials say that it has been necessary to postpone the banquet until May owing to the fact that the Illinois department is under great pressure in shaping up its work and Mr. Palmer is much occupied.

* * *

FRED J. JOHNS GETS TROPHY

Chicago life insurance men gave a farewell banquet to S. T. Whatley, Chicago manager of the Aetna Life, who on the first of the month takes his new position as vice-president and head of the agency department at the home office. He was presented with a magnificent desk clock. L. O. Schriver, general agent of the Aetna Life at Peoria, and third vice-president of the National

Life Underwriters Association, spoke briefly. Other Aetna Life general agents present were H. K. Schoch of Detroit; M. L. Seltzer of Des Moines and A. P. Shugg of St. Louis. Among those who spoke were E. B. Thurman, New England Mutual; A. E. Patterson, Penn Mutual; C. B. Stumes, Penn Mutual; Everts Wrenn, State Mutual; Harry Wright, Equitable of New York; John R. Hastie, Mutual Life, and president Chicago Life Underwriters Association; D. G. Scott, Sun Life; President I. M. Hamilton, Federal Life; Dr. H. W. Dingman, vice-president Continental Assurance; J. H. Dingle, Massachusetts Mutual; C. F. Axelson, Northwestern Mutual; Karl B. Korrady, Illinois Life; Editor Clarence Axman of the "Eastern Underwriter" of New York; Dr. C. E. Stanbury, medical examiner Aetna Life, Marc Law, National of Vermont. Mr. Whatley responded in good form. C. M. Cartwright of THE NATIONAL UNDERWRITER was master of ceremonies.

* * *

HEMAN T. POWERS' SCHOOL

Heman T. Powers, One LaSalle street building, Chicago, will start Monday night in his office another school in estate essentials, patterning it after the successful course that he established last year. There will be 20 hours' work in the series. A nominal tuition fee is charged. Assisting Mr. Powers are R. S. Jenkins, an attorney, who is an expert in wills and trusts; Cyrus Mead, III, an attorney, who specializes in federal estate, inheritance and gift taxes; R. C. Chapman, auditor, who is an income tax specialist. The lectures have already been printed and will be given to those taking the course for study. When the class assembles the material will be discussed and its application made to life insurance. The object of Mr. Powers' school is to familiarize the life men with after death problems and their cause, to train agents to reduce estate situations to the problems which invariably develop obvious and hidden needs for life insurance and which enable the salesman to sell on his prospect's facts instead of on his theories. The maximum number to be accommodated will be 30.

News of Pacific Coast States

Interest in Colorado Bill

Life Men Hope to Get Law to Make Suicide Not an Accident

DENVER, COLO., Feb. 9.—Suicide in this state will no longer be held by law to be an accident if a measure introduced in the Colorado legislature is passed. At present a court decision of many years' standing holds suicide to be an accident and hence of course forcing companies to pay double indemnity or other accidental death benefits not contemplated by the policy.

The measure offered in the legislature is backed by life insurance men in the hope that it will bring about increased confidence of life companies in the writing of accidental death benefits. The original case upon which the decision is based was on an accident policy.

Fred Johns Gets Trophy

Fred J. Johns, manager of the home office agency of California-Western States Life in Sacramento, was awarded the president's trophy for agency building in 1932. This trophy, which is

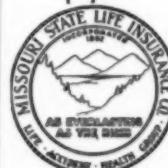
PLANNED LIFE INSURANCE SELLING

Wise Planning plus Intelligent Action equals Leadership in life insurance selling.

For men of vision and persistence, who follow a well-planned course of action, the life insurance field holds abundant opportunity.

The Missouri State Life, through its attractive policy forms, modern, effective sales helps and friendly Home Office cooperation, provides a dependable foundation upon which to plan and build a highly profitable business.

A Good Company to Represent

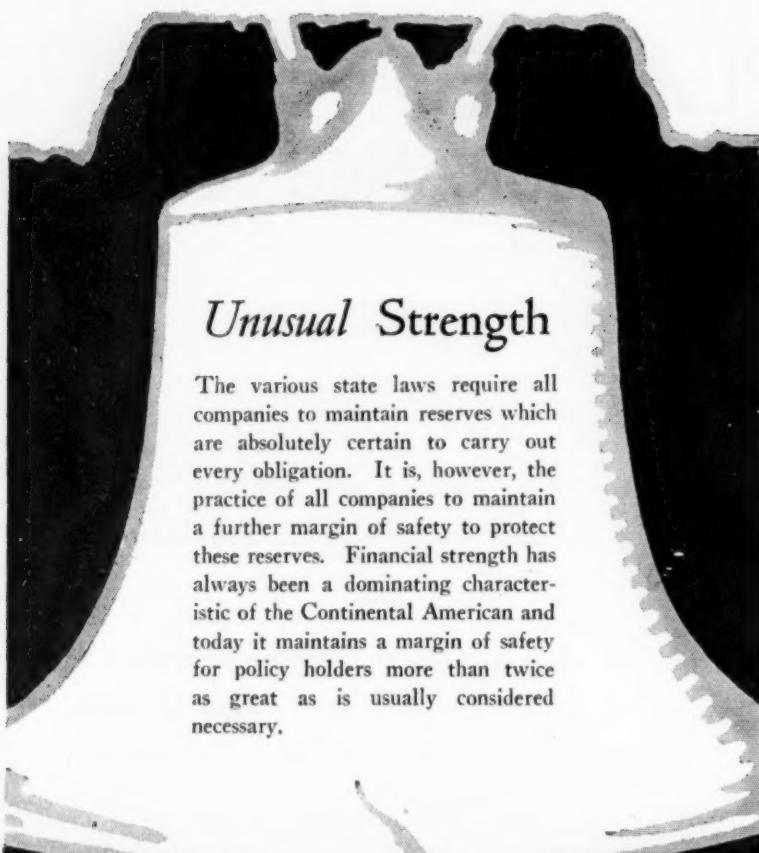


MISSOURI STATE LIFE INSURANCE COMPANY

St. Louis, Missouri

Life—Accident and Health—Group and Salary Savings

ORIGINATORS OF THE FAMILY INCOME POLICY

*Unusual Strength*

The various state laws require all companies to maintain reserves which are absolutely certain to carry out every obligation. It is, however, the practice of all companies to maintain a further margin of safety to protect these reserves. Financial strength has always been a dominating characteristic of the Continental American and today it maintains a margin of safety for policy holders more than twice as great as is usually considered necessary.

Continental American Life Insurance Company

Wilmington, Delaware

EASIER PROSPECTING

*Send for booklet
"The Company Back of the
Contract"*

Does he need it? Can he get it? These first two questions in prospecting must be answered by Fidelity agents as well as all other agents. But Fidelity's lead service in most cases answers for its agents the third fundamental question of prospecting—can he pay for it?

The Selection is Good

It automatically separates the wheat from most of the chaff. Those who reply for the most part can pay for the protection. Thus the most important feature of today's prospecting is minimized for Fidelity workers.

The **FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA**
WALTER LEMAR TALBOT, President

awarded on points credited for different activities of an agency manager, went to Mr. Johns by a small margin over Manager F. E. Russell of Oakland. Mr. Johns' agency, without any managerial assistance, paid for \$1,535,000 of new business in 1932.

Honor Mouser in February

R. H. ("Bill") Mouser, agency superintendent of the Ben F. Shapro general agency of the Penn Mutual Life in San Francisco, is being honored by members of the agency in February, which has been designated "Mouser Month." Mr. Mouser, who is well known as a writer of philosophy under the pen name of "Bill Stinger," has been seriously ill for some time and during his absence from the office members of the agency will endeavor to roll up a record production in his honor.

Bland Is Agency Speaker

Frank W. Bland, resident manager of THE NATIONAL UNDERWRITER, addressed the John W. Pearson agency of the California-Western States Life in San Francisco Feb. 6.

Stirs Up Interest in Agency

W. H. Morrow, general agent for the Lincoln National Life at Seattle, has a clever plan for increasing production as well as stirring up interest in agency dinner meetings. The meetings are held on Monday evenings and all agents writing applications during the week are entitled to their dinner free, while non-producers must pay for their own.

Hann Goes to Los Angeles

R. A. Hann, well known actuary, who has been located at Denver, has become actuary of the Trans-Pacific Life of Los Angeles.

**Mark Trueblood Named
Los Angeles Manager**

MARK S. TRUEBLOOD

Mark S. Trueblood has been appointed manager of the Los Angeles agency of the Union Central Life. It includes all of southern California.

Mr. Trueblood went to Los Angeles last July, having been assigned to the task of reorganizing the southern California agency. He had served as assistant superintendent of agencies in the home office, but now has resigned that position to accept his new appointment.

Following his graduation from the University of Indiana, he engaged in newspaper work. He was attached to the editorial staffs of the Louisville "Courier-Journal" and the Cincinnati "Times-Star" before joining the Union Central Life as editor of its "Agency Bulletin."

**Bring on
your 1933!**

Life Insurance has played a big part in the economic affairs of the individual and of the nation during the past twelve months.

We who are privileged to be engaged in Life Insurance share a thrill of satisfaction at the performance of our business in 1932.

The New Year brings a new opportunity for even greater service—a challenge to each of us to live up to the record of our business.

Certainly there are problems to be faced—but our reborn faith and our youthful fighting spirit prompts us to say again—

Bring on your 1933!

**The
GUARDIAN LIFE
INSURANCE
COMPANY
of America**
Established 1860

50 UNION SQUARE, NEW YORK

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Home Changes Family Income

Adopts Rider Form for Attachment to Regular Policies Other Than Term Insurance

The Home Life of New York has changed its family income plan, now having a rider form of the benefit, for attachment to any of the regular policies other than term insurance, instead of the single policy formerly issued.

The new rider will be issued in three different forms, giving 20, 15 or 10 year family income periods, as preferred by the policyholders. The small additional premium to be added to the regular premium for the addition of the family income rider is not payable for the entire period of special income, but is payable for 16 years in the case of the 20 year plan; 12 years in the case of the 15 year plan and 8 years on the 10 year plan. In event of the insured's death prior to the end of the family income period selected, the guarantee of family income of 12 percent per annum is payable monthly to the end of the family income period, at which time the face amount becomes payable in full. If the insured lives to the end of the family income period, the policy reverts to the regular form at that time. The guaranteed values under the regular policy to which this benefit is attached are not affected by the addition of the rider.

For illustration, the premiums for the new benefit issued with the preferred whole life policy, are as follows, per \$10,000:

	20-Year Family Inc.	10-Year Family Inc.	
Age	Prem. 1st Year	Prem. 1st Year	
16 Yrs. after	8 Yrs. after	8 Yrs. after	
20	\$209.10	\$156.70	\$184.60
25	229.10	174.90	203.90
30	255.90	198.40	228.70
35	287.80	229.00	243.30
40	362.80	269.40	312.70
45	457.80	323.90	383.00

Pioneer Pyramid Life

The Pioneer Pyramid Life of Charlotte, N. C., has made reduction in dividends for 1933 on policies with disability benefits. The dividends declared on policies with disability benefits are approximately 40 percent less than policies without.

The company had a most satisfactory mortality experience for the year 1932. It is now writing only non-participating policies. The participating policies on which the dividend has been declared are forms brought to the company with the consolidation of the Pioneer and Pyramid.

Business Men's Assurance

The Business Men's Assurance has announced to its field force a new continuous income sales plan, which contemplates the sale of life insurance on the basis of income over a given period, rather than on a lump sum basis. This combined with the company's accident and health policies guarantees the continuance of income in the event of sickness, accident or death.

Pacific Mutual

The Pacific Mutual has made a reduction in dividends on life policies, reported to average about 25 percent, which, however, does not apply to deferred annuities or retirement income bonds, on which the dividends remain unchanged.

Guardian Life

The Guardian Life has fixed 5 percent as the rate of interest on funds remaining with the company under policy option settlements or as dividends.

Premiums for Younger Ages

Northwestern Mutual Lists Rates on Different Forms for Applicants from 10 to 14

In deciding to extend the lower age limit to applicants who have reached their tenth birthday, the Northwestern Mutual Life is limiting the amount that will be issued at age ten, \$5,000; 11, \$10,000; 12, \$15,000; 13, \$20,000; 14, \$25,000. Heretofore the minimum age limit was 15. Plans are limited to endowments maturing not later than age 65. The following is a table showing annual premiums for the principal admitted plans at the new ages:

AGE	10	11	12	13	14
Endt. at 65	\$17.08	\$17.43	\$17.79	\$18.17	\$18.57
S. R. E. 65	19.00	19.43	19.88	20.35	20.85
S. R. E. 60	21.90	22.33	22.78	23.25	23.75
10 Yr. Endt.	22.49	22.56	22.55	22.74	22.83
25 Yr. Endt.	25.79	25.86	25.93	26.01	26.08
30 Yr. Endt.	30.43	30.49	30.56	30.63	30.70
25 Yr. Endt.	37.12	37.23	37.31	37.38	37.44
20 Yr. Endt.	47.24	47.34	47.45	47.58	47.68
15 Yr. Endt.	64.54	64.66	64.78	64.91	65.04
10 Yr. Endt.	99.80	99.95	100.11	100.24	100.43
20 Pay. Endt.	40.22	32.30	32.39	32.49	32.59
25 Pay. Endt.	35.03	35.10	35.17	35.25	35.32
30 Pay. Endt.	38.41	38.52	35.59	38.65	38.73
20 Pay. Endt.	42.61	42.69	42.75	42.81	42.88
35 Pay. Endt.	49.15	39.24	39.34	39.44	39.55
30 Pay. Endt.	32.55	32.58	42.67	42.75	42.82
15 Pay. Endt.	49.46	49.57	49.64	49.71	49.78
15 Pay. Endt.	51.93	51.98	52.04	52.11	52.17
15 Pay. Endt.	57.94	58.06	58.19	58.30	58.36
10 Pay. Endt.	40.52	32.38	52.50	52.62	53.76
10 Pay. Endt.	32.68	58.09	58.19	58.29	58.39
10 Pay. Endt.	30.63	63.80	63.87	63.95	64.03
10 Pay. Endt.	70.85	70.91	70.98	71.05	71.12
10 Pay. Endt.	79.40	79.45	79.51	79.56	79.63
10 Pay. Endt.	15.88	88.98	89.15	89.31	89.48
S. Pay. Endt.	40.44	50.44	441.58	442.31	443.97
S. Pay. Endt.	25.48	18.48	481.68	482.20	482.77
S. Pay. Endt.	30.50	50.50	50.50	52.24	52.64
S. Pay. Endt.	25.90	50.76	53.21	53.27	53.61
S. Pay. Endt.	20.62	23.62	66.34	66.37	66.39
S. Pay. Endt.	15.75	14.75	75.12	75.16	75.17
S. Pay. Endt.	10.84	16.85	80.34	85.51	85.82

ACCIDENT—HEALTH

Two Agencies Appointed

The Pacific Mutual Life has appointed Olsen & Page of Rockford, Ill., and Gainer & Cannon of Whiting, Ind., as district managers, the latter office covering Lake county, Ind. Mr. Page has been in insurance some years and was a leading producer in Rockford territory for a life company. Mr. Olsen was assistant cashier of a bank. Mr. Gainer was with a large eastern life company and has a record of about \$750,000 paid for in a year. Mr. Cannon was owner and manager of a large finance company in Whiting.

Gibraltar Makes Promotions

DENVER, Feb. 9.—The Gibraltar Life & Accident and the State Reserve Mutual, affiliated with the Colorado Life, have announced a number of promotions. L. E. Warren, former Denver agent, has been made Oklahoma manager with Muskogee headquarters. He formerly was associated with Rex Bixby, general manager, as representative of the Aetna Life in Arkansas. R. A. Craig has been made district manager at El Reno, Okla., and C. W. Beale, former Arkansas manager, has been promoted to manager for Arkansas and Missouri with Little Rock headquarters.

The Fraternal Mutual Benefit of Salt Lake City has been ordered to discontinue its selling activities in Ohio by the insurance department. The assessment society was operating without a license in Columbus and other Ohio cities.

Outstanding by any STANDARd of COMPARISON

LA CATHEDRALE DE RHEIMS

EQUITABLE LIFE INSURANCE COMPANY OF IOWA

You, too,
Can RETIRE

I On your commissions
from the popular, easy-
to-sell Retirement
Income contracts
offered by --

The Lincoln National Life Insurance Company Fort Wayne, Indiana

**MODERN
LIFE INSURANCE
SINCE 1845**

To be a company distinguished by successful service to all its members is the Mutual Benefit ideal. Each added benefit and each freedom from restriction offered in new policies is extended also to old policyholders wherever possible. That is why Mutual Benefit life insurance has been modern since 1845.

**THE MUTUAL
BENEFIT**

LIFE INSURANCE COMPANY • NEWARK, NEW JERSEY



**NEW HOTEL
HUNGERFORD**

IN THE METROPOLITAN CENTER
OF SEATTLE

200 ROOMS
200 BATHS
from \$1.50

COFFEE SHOP
HOTEL MANAGEMENT
delicious food at
moderate prices..

EARL HUNGERFORD
Owner and Manager

FOURTH
AT
SPRING.

SEATTLE



GENERAL AGENCY NEWS

A. C. Larson's Men Foregather

State Manager of the Central Life of Iowa Held Convention of Agents

MADISON, WIS., Feb. 9.—Confidence based on an understanding of his work, and improvement of the individual underwriter's methods, formed the keynote for discussion at the annual meeting of the A. C. Larson state agency for the Central Life of Des Moines held here.

While there is unrest among people at the present time, the part life insurance is playing can hardly be overestimated, and insurance companies are the main bulwark of economic life, Commissioner Mortensen told the agents.

Commissioner Mortensen's Address

"Some of the outlying posts have already been taken, there is no question about that," the commissioner said. "Some of the weaker ones have already fallen. A few casualties have already been reported, but the main bulk still stands. I believe that the companies which are conducting themselves and have been conducting themselves on a legitimate plan and have looked to a proper investment of their assets; whose officers and directors have had the foresight to see that their securities have been properly invested, and that their forces in the field have been properly supervised; that there is no fear whatsoever, as to those companies."

F. S. Horner Spoke

Discussing "Personal Efficiency and Time Control," F. S. Horner of the H. L. French agency for the Northwestern Mutual Life, said that "Efficiency is the art of doing things with a minimum of wasted effort and motion, and personal efficiency is raising the ratio of used power to potential power. Personal efficiency is not merely a matter of time control of work, of education, or of enthusiasm, but is rather a coordination of all these things. He discussed it from the four viewpoints, the spiritual, physical, mental, and financial.

Prospecting was discussed by M. W. Hess, general agent, Madison; A. S.

Wright, Janesville, and C. C. Tucker, La Crosse. A discussion of proper approach of prospects was given by T. W. Melham, Milwaukee, G. H. Packard, Green Bay, and J. C. Manning, Madison, general agents of the company. Making profitable use of the change of age, was taken up by W. H. Martin, Madison, and territory analysis was discussed by R. E. Larson, assistant state manager. George T. Carlin, educational director from the home office, discussed policy analysis.

George N. Ayres, president of the company, was in attendance, and addressed the agents on life insurance as an institution, and analyzing the position of his company.

Golly Agency's Reunion

The C. R. Golly agency of the Equitable Life of New York, at Peoria, Ill., held its annual reunion Monday and Tuesday, 150 members of the staff from 92 counties in Illinois attending the sessions. Principal speakers were W. J. Graham, New York, vice-president; W. M. Rothamel, Chicago, superintendent of agencies; H. C. Chipman, Columbus, O., agency manager; and J. A. Patton, Chicago, sales supervisor group department.

Embry Agency Forges Ahead

The A. M. Embry agency of the Equitable Life of New York covering western Missouri and all of Kansas is regarded as a live proposition. In 1924 it produced \$5,000,000 and last year its production was \$14,000,000. Its total insurance in force is over \$100,000,000. A. M. Embry is president of the agency and Mrs. Erma Embry is general manager. H. C. Bucher is assistant general manager.

Doyle & Raley Get Cups

The Doyle & Raley general agency of the Missouri State Life at Colorado Springs, Colo., won the president's cup for the largest proportionate increase in paid for premiums during the final quarter of 1932, wresting the trophy from the John G. Eaton agency at Fort Worth, Tex., which held the cup for the past six months.

MANAGERS' ASSOCIATION NEWS

Conference at San Antonio

Prominent General Agents and Managers Discuss Various Phases of Production and Management

SAN ANTONIO, TEX., Feb. 9.—The Life Managers' Agency Conference held here under the auspices of the San Antonio Managers' Club, was attended by 60 managers and general agents.

O. Sam Cummings, state manager Kansas City Life, in discussing "Low Pressure Management," showed the importance of a careful checking of the record of old and new agents with a view to aiding them in correcting their peculiar weaknesses. George Lackey, general agent for Oklahoma, Massachusetts Mutual Life, reviewed his preparation of a new agent for entering the field. E. M. Goldstein, general agent Pacific Mutual, spoke on "Elimination of the Non-Producer." He showed how a sympathetic study of a man's record in personal conference may save the agent who has begun to slip in his production and how it may aid the beginner in increasing his volume of written business.

O. D. Douglas, Texas manager Lincoln National Life, stressed the importance of a definite objective and the

value of careful selection of agents. Hubert Childers, manager Great Southern Life, in his talk on "Planned Territorial Development," showed the importance of careful selection of agents and recommended ministers and bankers as sources of information concerning the selection of agents. W. T. Miller, secretary and actuary Great American Life, discussed the growing cooperation of the field force with the home office in the selection of risks.

Discusses Agency Planning

H. T. Childre, agency superintendent Jefferson Standard Life, treated "Agency Planning and Production," and told of the responsibility of the manager or general agent to the agent working under his supervision. O. P. Schnabel, manager Jefferson Standard Life, gave a summary of his experiences in "Financing Plans for Agents."

"Methods of Investigating Agency Material," were discussed by R. E. White, general agent Continental Life. Paul Creamer, agency supervisor Southwestern Life, discussed the place of "Part Timers" in the field.

H. D. St. John, general agent Canada Life, explained his method for selecting agents. R. C. Lowe, manager Southern agencies Minnesota Mutual Life, out-

lined his company's plan for teaching new men to prospect. Matthew Brown, manager Missouri State Life, in discussing prospecting, stressed the necessity of cooperation, the cultivation of men who believe in the agent, and the selection of prospects in a class or group into which the agent fits.

D. O. Johnson, general agent Minnesota Mutual Life, and Ronald Vincent, Travelers field assistant, spoke on the "Planned Sales Presentation."

J. L. Lawrence, associate general

agent Lincoln National Life, discussed "Time Control Plans."

Minneapolis Managers Organize

The Life Managers Association of Minneapolis has been formed with L. J. Lynch, general agent John Hancock Mutual, as president. R. M. Hamburger, Northwestern Mutual, vice-president, and R. H. Wells, Northwestern National Life, secretary-treasurer. Dinner meetings will be held the first Tuesday of each month.

NEWS OF LIFE ASSOCIATIONS

Leading Producers Honored

Harold J. Cummings Is Principal Speaker at San Francisco Association's Annual Event

SAN FRANCISCO, Feb. 9.—Harold J. Cummings, vice-president and superintendent of agencies of the Minnesota Mutual Life, was the principal speaker at the leading producers' dinner of the San Francisco Life Underwriters Association. He discussed the possibilities for leadership this year, stressing the necessity for organized sales presentation.

An innovation this year was the appearance of two of the leading producers who told of their methods and plans in attaining leadership in 1932. These were H. R. Maris, leading producer of life business for the Pacific Mutual Life, and C. G. Keehner, national leading producer for the Massachusetts Mutual in premiums, volume and number of lives insured. Both have been consistent leading producers for a number of years.

M. L. Fairchild, Connecticut General Life, was toastmaster, introducing J. A. Sullivan, Equitable Life of New York, president of the association, who paid tribute to the leaders for their attainments. More than 400 attended.

Plans are being made for an intensive campaign between now and April 17 to keep the membership to the high level of more than 600 attained last year, ending with "Life Insurance Week," when the association plans to hold a sales congress.

An amendment to the constitution has been adopted, reducing dues of general agents and managers to \$10 per year and raising the dues of non-resident members to \$5.

Des Moines—O. J. Lacy, executive vice-president Minnesota Mutual Life, spoke Feb. 4 on "What Is the Answer?" He

said there are three ways of solving the problem of production in 1933 and named them: (1) Working harder on prospects; (2) having a story of your own to tell, or a well-worded canvass, and (3) adopting a regular working plan. He emphasized that the underwriter should be sure to give prospects several chances to buy. He was introduced by Pearce H. Young, superintendent of agents, Central Life of Iowa.

T. M. Richle, widely known New York producer, will speak March 14.

The Des Moines association will hold a one-day sales congress April 7. Dr. S. S. Huebner will be one of two principal speakers. In the afternoon Dr. Huebner will address agents only and in the evening he will address a banquet to be attended by agents, policyholders and business men. This address will be broadcast.

* * *

Columbus, O.—C. M. Biscay, advertising manager Western & Southern Life, will speak at the central Ohio sales congress March 2 in Columbus on "The Life Insurance Man of the Future."

* * *

New Orleans—"Thousands of policyholders have withdrawn their funds because of fear that the life insurance companies are endangered by the depression. The fact is that the companies in most cases have not had to sell any of their securities in order to meet with the pressure from loans and withdrawals of cash values of policies," Dr. S. S. Huebner told 300 members of the Louisiana association. Dr. E. G. Simmons, vice-president and general manager of the Pan-American Life, introduced Dr. Huebner.

* * *

Lincoln, Neb.—The February meeting was transformed into an all-day sales congress, the success of which exceeded all previous gatherings, with 250 in attendance. Three addresses were given by W. B. Burruss of New York, sales counselor, the last at a dinner at the chamber of commerce, with business men making up most of the audience.

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Wichita, Kan.—R. B. Hull, managing director National association, spoke Feb. 3 on "Getting Back on to Main Street."

* * *

Detroit—The Detroit association will hold a sales congress March 17. F. Jean Little, vice-president of the association and chairman of the program committee, has been named general chairman.

* * *

Windsor, Ont.—Paul Martin, Windsor attorney and president of the Windsor branch of the League of Nations Society, spoke Feb. 3 on the coming Anglo-American debt conference in Washington.

* * *

Tyler, Tex.—At the initial meeting Robert Short of Dallas was chief speaker, discussing "The Life Insurance Man of Today." About 20 were present, 15 having affiliated with the new association when it was formed a month ago while the officers came in as charter members at the first regular meeting. The new association was organized by O. Sam Cummings of Dallas, president of the state association.

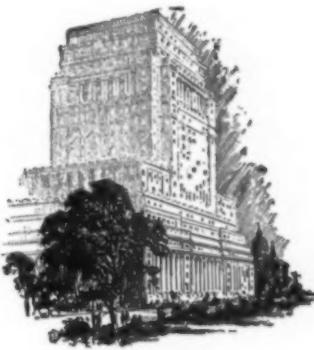
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Indianapolis—At the February meeting this week, J. M. Keplar, district agent Bankers Life of Iowa at Elkhart, Ind., will speak.

* * *

Green Bay, Wis.—With 26 members, a local association has been formed, which plans to affiliate with the National association. A. A. Heald, national executive committeeman of the Milwaukee association, and Alvin Moser, also of Milwaukee, helped the organization under way.

Howard Gitchell, Aetna Life, is presi-



Head Office: Montreal

SIXTY-TWO YEARS of SERVICE

to an ever-increasing number of satisfied Policyholders, during which time every obligation has been fully and promptly met.

SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: Montreal

And Now— Monthly Premiums!

Agents, profiting by the exceptional money-making opportunities of our Golden Rule Contract, now may place Monthly Premium Policies, as well as those on the Annual, Semi-annual or Quarterly basis.

A Monthly Premium Depositing Plan is certain to be popular in times like these.

Columbus Mutual Life Columbus, Ohio



**Life Insurance Is the Best Investment
Because It Is
Always Worth 100 Cents on the Dollar**

The 1-2-3 of Life Insurance

1. Life insurance is INVESTMENT.
2. Life insurance is SAFE INVESTMENT.
3. Life insurance becomes INCOME INVESTMENT to replace earned income when that becomes necessary.

BANKERS LIFE COMPANY

Gerard S. Nollen, President

Established 1879

DES MOINES, IOWA

IN THE HEART OF NEW YORK



"Convenient to Everything Worthwhile"

One block from Times Square—surrounded by fine shops, towering office buildings and scores of good theatres. Private indoor entrance to the world's largest subway station. Yet THE LINCOLN, with its 32 stories of fresh air and sunshine, offers you quiet comfort at all times. Each of the 1400 rooms has bath and shower, servidor and radio.

From \$3 single \$4 double*

RESTAURANT : GRILL : COFFEE ROOM
John T. West Manager

HOTEL LINCOLN

44th STREET to 45th STREET • 8TH AVENUE • NEW YORK

Under New Management — A RELIANCE HOTEL

dent; Ray Zimdar, Mutual Life of New York, vice-president; Frank Neu, National Guardian Life, secretary, and Elmer Longfellow, Equitable Life, treasurer.

* * *

Sioux City, Ia.—C. R. Garrett, general agent Northwestern Mutual, was elected president at the annual meeting; F. E. Lark, Onawa, Equitable of Iowa, vice-president; G. G. Gardiner, Mutual Benefit Life, secretary, and Louis Strongin, Mutual Life of New York, treasurer.

Members of the board are H. E. Brake, Provident Mutual; L. B. Gettys, Mutual Life of New York; J. M. Showalter, Register Life; J. D. Walsh, Bankers Life of Iowa, and W. M. McKercher, Northwestern Mutual.

The association gained 100 percent in membership the past year.

* * *

Iowa—A. W. Van Houten, Davenport, was reelected president of the Iowa state association at the annual convention in Des Moines. Jack Himes, Des Moines, was named vice-president, and Harry M. Van Hemert, secretary-treasurer. Associations represented were Des Moines, Davenport, Council Bluffs, Fort Dodge, Cedar Rapids, Sioux City, Mason City, Marshalltown and Burlington.

* * *

Kansas City, Mo.—The program for the sales congress Feb. 17 has been altered somewhat. Herman Langworthy, well-known Kansas City attorney, will speak on "The Stability of Life Insurance Today," giving underwriters the viewpoint of the layman. There will be no practical sales demonstrations, as first planned.

Witten's Conference Is Held

Massachusetts Mutual Life Men in Southwestern Ohio Hold Meeting in Cincinnati

The southwestern Ohio agency of the Massachusetts Mutual, headed by L. C. Witten, held its annual meeting in Cincinnati. Mr. Witten reported that definite planning had allowed the agency to show a satisfactory production during 1932. One of the most successful plans is the Wednesday club. Qualification for membership requires that at least one application be written before Wednesday midnight. This has resulted in consistent weekly production and by allowing the remainder of the week for additional business, has increased the total agency production.

H. H. Pierce of the home office actuarial department spoke on the "Company Standpoint." He reported that life company assets at the end of 1932 showed an increase over the previous year of more than the total assets of all companies in 1906. He also called attention to the fact that there has been a general decrease in the mortality rate during the past year.

Would Strengthen Ohio Laws

Sponsored by the Ohio Association of Life Underwriters, a bill has been introduced in the Ohio legislature to strengthen the anti-twisting and anti-rebate statute, and also making it a misdemeanor to utter false and misleading statements regarding an insurance company. B. W. Gearheart, former Ohio superintendent, cooperated with the association in drafting the bill.

The Ohio Association of Probate Judges is sponsoring a bill which would give them authority to direct guardians and trustees of estates to invest funds in their care in life insurance policies and annuities.

South Dakota "Robertson Bill"

A "Robertson bill" has been introduced in South Dakota, to require all life companies doing business in that state to invest in South Dakota securities not less than 75 percent of the legal reserve required by the state in which the company is domiciled.

The John J. Gordon agency of the Home Life has moved from 107 William St. to the home office building at 256 Broadway, New York City.

"....I Will Make Sales
Easier for You."

Sales will come easier—they will bring more profit to you who are the first to adopt Commonwealth methods. Our policies equal all competition.

¶ Rapid growth—growth means opportunities—opportunities mean openings—openings for ambitious men—these are features that make our Company so desirable to successful agents.

¶ Production is simplified. Cordial Co-operation demonstrates the effectiveness of intelligent, combined effort. It is given freely to our agents and it does produce results.

The success of

COMMONWEALTH CORDIAL CO-OPERATION

Commonwealth agents is abundant proof of this.

¶ Think of the happy and contented men, making good with a live company, who appreciate the important part a Home Office plays in the success of each representative. It will pay you well to investigate "Commonwealth Cordial Co-operation." Learn where and how to avail yourself of the marvelous opportunities that are offered. Write to the sponsors of "Commonwealth Cordial Co-operation."

.... I am Commonwealth Cordial Co-operation.

My sponsors are

COMMONWEALTH
LIFE INSURANCE CO.
LOUISVILLE, KY.

Sales
u."

AS SEEN FROM NEW YORK

By R. B. MITCHELL

BOBBE IS AGENCY SUPERVISOR

J. M. Eisendrath, recently appointed manager in New York City for the Guardian Life, has appointed G. L. Bobbe as agency supervisor. Mr. Bobbe was brought into the life insurance business three years ago by Mr. Eisendrath. Before that he was well known on the vaudeville stage as a singer and impersonator. The agency has now moved into its permanent quarters in the Empire State building, bringing the total number of life offices in that building to eight. The others are the Berkshire, Connecticut Mutual, Mutual Life of New York, New England Mutual, New York Life, Northwestern Mutual, and Travelers.

* * *

J. ELLIOTT HALL RETURNS

General Agent J. Elliott Hall of the Penn Mutual Life and Mrs. Hall have returned to New York after a cruise to the West Indies on the Mauretania.

The Hall agency paid for \$1,834,000 in January against \$2,141,000 for the same month of 1932.

* * *

TWO LEADERS TO SPEAK

G. M. Lovelace, second vice-president, New York Life, and John T. Madden, dean of the New York University school of commerce, will be the speakers at the

next meeting of the New York City Life Underwriters' Association. Mr. Lovelace will speak on "Your Business Asks for Thoughts," and Dean Madden on "Whither America?"

SOCIAL INSURANCE MONOGRAPH

"The Problem of Old Age Dependency," the 13th in a series of monographs on social insurance, has just been issued by the Metropolitan Life. It describes old age assistance systems as provided in various European countries and in the states in this country having such laws. Its conclusion contains a series of questions to which any program adopted must provide an answer if it is to prove satisfactory.

* * *

KEFFER'S RECORD IN JANUARY

R. H. Keffer, general agent of the Aetna Life at 100 William street, New York City, paid for \$2,835,571 in January, as compared with \$2,948,000 for January, 1932. This latter figure includes the Broadway offices, now with the 100 Williams street agency.

* * *

K. A. LUTHER TO SPEAK

K. A. Luther, vice-president Aetna Life, will speak at the monthly luncheon meeting of New York Chapter C. L. U., Feb. 14.

Northwestern National Has New Sales Training Course

An advanced sales training course, compiled by methods new in the field of life underwriting, has been brought out by Northwestern National Life. It deals with all vital points of advanced sales technique under the title "The NWNL Guide to Successful Life Underwriting."

The NWNL Guide is founded upon an actual market study by experienced investigators of a nationally known sales research organization, who for several months accompanied NWNL fieldmen in many agencies in their selling.

The guide is designed, not primarily for beginners, but for the agent who is past the early stages of his training and experience and is now seeking to put himself into a class with the more successful agents who enjoy substantial incomes. It is aimed at men who already have passed the point of making a living at selling life insurance and deals with methods that help such men remove the present limits on their earning power. It is designed to make fair producers into good producers and good producers into top producers.

The book was compiled and edited by experts of Trade-Ways, Inc., New York, who have been doing similar work for outstanding organizations in other lines of business. It has been broken down into seven chapters and can conveniently be read in one or two evenings' time. The chapters are: I. The Key to Bigger Earnings; II. Getting the Facts; III. Planning and Stating the Recommendation; IV. Selling the Recommendation; V. Closing Difficult Sales; VI. Making Policyholder Servicing Profitable; VII. Capitalizing Your Sales Assets.

The guide is not a substitute for the elementary training course, "The Doorway to Life Underwriting," but a supplement and follow-up. According to present plans, general agents and managers will conduct special schools using the guide as a textbook.

Union National Life Meeting

At the annual meeting of the Union National Life of Charleston, W. Va., at Dayton, O., I. A. Morrisett resigned as president. A successor has not yet been

Mortgage Moratorium Plans Are Advocated in Wisconsin

MADISON, WIS., Feb. 9.—Mortgage foreclosure moratorium plans and suggestions are occupying the attention of life insurance companies in Wisconsin. A hearing was held here with farmers' representatives.

In discussing a bill sponsored by a group of farm cooperatives to set up machinery for arbitration in mortgage foreclosure cases, State Senator B. J. Gehrmann, its author, claimed that his group does not wish to endanger the financial structure of insurance companies but argued that arbitration through boards would be preferable since when normal times return there might be wholesale foreclosures which would aggravate the condition.

The standpoint of the insurance companies was presented by Sam T. Swanson, Northwestern Mutual Life. He pointed out that the insurance companies want to assist in working out any reasonable remedy in the existing emergency. Some states have already created voluntary committees and some good work has resulted. He opined such committees should deal with the conciliatory idea rather than be given judicial powers.

Connecticut Mutual Awards

H. C. White, Detroit general agent of the Connecticut Mutual Life, has been awarded the president's organization trophy for outstanding progress in organization and development of the agency during the past year and is emblematic of the company's recognition of the fine work which Mr. White and his associates have done. The award must be won three times for permanent possession. Ten general agents were awarded conservation certificates in recognition of their work in maintaining life insurance in force in 1932. W. L. Blossom, Erie; E. F. Colborn, Rochester; J. W. Knorr, Fort Wayne; S. L. Morton, St. Louis; S. S. Northington, Los Angeles; Willard Regan, New York City; H. C. Remien, Grand Rapids; W. J. Stoessel, Springfield, Mass.; J. H. Thompson, Hartford; Williams & Well Beloved, Chicago.

appointed. The company is operating mainly in Ohio and West Virginia.



SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

A Dollar's worth for every Dollar paid regardless of kind of policy purchased

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies.

Many other forms of Policies equally attractive.

Operating in Illinois, Michigan, Indiana and Missouri.

INTERSTATE RESERVE LIFE INSURANCE COMPANY

Mutual Legal Reserve Life Insurance

Ten East Pearson Street : : : Chicago

Thousands will Win SUCCESS

The next ten years offer the greatest opportunity in insurance. Thousands will win success and fortune. Will you? The field of accident and health insurance scarcely has been touched. If you're not in it—sell it—you're passing up a big opportunity. Investigate Inter-State's well-rounded line of up-to-date policies. We want men right now to introduce these policies to the thousands who want accident and health insurance. Full or part time work. Thorough training. Sales aids. Liberal commissions. Write your name and address on the margin of this ad and mail for full information today! Dept. 26.

Inter-State BUSINESS MEN'S Accident Company

A Legal Reserve Co. Est. 1908
Ernest W. Brown Pres. Des Moines, Iowa

SOMETHING ABSOLUTELY NEW

A THRIFT Certificate with Payments Insured.
in the event of Death of Certificate Holder

12 Years Matures \$1,000.00 Contract at \$4.75 per Month

Loan, Cash and Paid Up Values After One Year

Valuable General Agencies Available in Illinois

INVESTORS FINANCE & THRIFT CORPORATION

Affiliated with
UNITED INSURANCE COMPANY
2721 So. Michigan Ave., Chicago, Illinois

Not One Penny

Security Mutual Life has not borrowed one penny, all obligations having been met and provided for from its own resources.

This self-contained stability is a valuable asset appreciated by both agent and policyholder. The security and protection it guarantees is worth more than all other features, even tho they may sound more attractive.

Financial safety is still popular.

Security Mutual Life Insurance Company

BINGHAMTON, N.Y.



1932
ANOTHER YEAR OF REAL
PROGRESS FOR
THE OHIO STATE LIFE INSURANCE
COMPANY

The Company Not Only Increased Its
ASSETS
CONTINGENCY RESERVES
SURPLUS
CASH ON HAND
UNITED STATES BONDS
AND
ITS LIQUIDITY

BUT, ALSO MADE AN OUTSTANDING
PRODUCTION RECORD

While the Paid-For Volume of New Insurance Produced by All Companies in 1932 Was Only 81% of the Amount Produced in 1931, THE OHIO STATE LIFE FIELD FORCE INCREASED ITS PAID-FOR PRODUCTION TO 119% of Its 1931 Production—Thus, Making a Difference in Favor of the Oslico Field Organization of 38%.

The Ratio of SURPLUS to LIABILITIES
Makes This One of the Strongest Life Insur-
ance Companies in America



A REAL COMPANY FOR REAL MEN

THE OHIO STATE LIFE INSURANCE COMPANY
Columbus, Ohio

U. S. BRANDT
President

F. L. BARNES
Agency Vice President

Mortgage Interest Reduction Opposed

(CONTINUED FROM PAGE 3)

proposals thus far advanced do not advocate any reduction in the customary margin of one-half of one percent which the company ordinarily charges for its services.

With the savings banks the case is different from that of the mortgage guaranty companies or the life companies. Many loans made by savings banks are so drawn as to be practically "open" loans, that is the bank is not tied up by contract to a certain interest rate for a number of years but may raise or lower the rate almost as if they were call loans. On the other hand, while a life company would find no objection among its borrowers if it volunteered to cut its interest rates in line with a downward trend, it would be unable to make an upward adjustment when the trend might swing above the rate contracted for.

In view of the life companies' tolerant attitude where the property-owner is genuinely in distress, it would seem extremely short-sighted on the part of those borrowing from the companies to engage in any efforts to bring about a general reduction of interest. A reduction of one-half percent or even one percent might save a few landowners from foreclosure. On the other hand such a reduction might cause the companies to feel, in many cases, that in the interests of their policyholders they would not be justified in extending or renewing existing mortgages, making the situation worse instead of better as far as the distressed property owner is concerned.

Sales Plan in 1933 Is Seen as Essential for Success

(CONTINUED FROM PAGE 3)

many and divers reports and rumors which shake the confidence of men. If you are not pursuing a plan of performance, you will be trying to pursue the confused and conflicting thoughts and emotions created by the contacts you are forced to make as a result of your business.

"There must be a plan back of performance in 1933. That plan can and should produce a profit. We have the same amount of time at our disposal today as we had in 1929 when planning was not considered as necessary as it is in 1933. Let us then ask ourselves, what do we do with our time? There must be time for prospecting, for selling, for rest, for recreation, for study—and time for planning."

Invited to Senate Conference

WASHINGTON, D. C., Feb. 9.— Hearings at which insurance executives, business leaders, economists and other outstanding figures will be given an opportunity to tell what is wrong with the country and how they would remedy the situation will be inaugurated by the Senate finance committee Feb. 13.

Invitations to present their views have been sent to a number of leading insurance men, including the following company presidents: Edward Duffield, Prudential; Thomas I. Parkinson, Equitable Life of New York; Frederick H. Ecker, Metropolitan Life, and Thomas A. Buckner, New York Life.

Would Penalize False Rumors

ST. PAUL, Feb. 9.—The senate insurance committee has recommended for passage a bill that makes it a misdemeanor to circulate false rumors regarding the solvency of insurance companies.

M. H. Bullock of Pittsburgh has been appointed manager of the Youngstown district office of the Western & Southern Life.

ACTUARIES

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and
800 Security Building, Kansas City

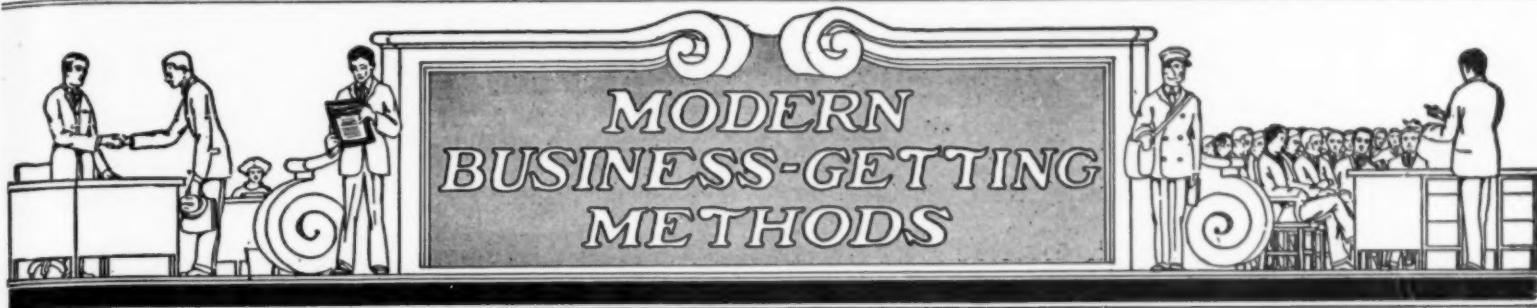
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E. P. Higgins
THE BOURSE
PHILADELPHIA

"Living Trusts—Including Life Insurance Trusts," by Gilbert T. Stephenson, will give you the practical information you should know on the various trust agreements. Price, \$3.75. Order from The National Underwriter.



C. S. Dixon and Wade Heavey Heard at Pittsburgh Sessions

By LEVERING CARTWRIGHT

The life insurance people took a prominent part in the sales congress Monday and Tuesday of this week and the banquet Tuesday evening of the Pittsburgh Insurance Club, although these functions were primarily for the fire and casualty agents.

Holgar Johnson, general agent in Pittsburgh for the Penn Mutual Life, acted as toastmaster at the banquet. At the luncheon Monday, an address on pensions was given by C. S. Dixon, assistant superintendent of agencies for the Travelers. He was introduced by Jay M. Holmes, life and accident manager of the Travelers in Pittsburgh.

Wade H. Heavey, agency instructor for the Equitable Life of New York, and E. C. Sparver, director of agencies for the Reliance Life, were the other life insurance speakers.

Employers Want to Talk About Pensions Today

Mr. Dixon urged the agents to develop a pension or group retirement income business. Employers want to talk about pensions today and it is a great door opener, he said.

Group retirement income, he declared, makes for systematic thrift, relieves industry of the burden of supporting supernumeraries on a hit or miss method, places the retirement setup on a definite, actuarially sound, funded basis at the smallest cost.

The first principle of a pension system, he said, is that if an income is desired after age 65, for instance, it must be paid for before age 65. The employee gets a percentage of his wage multiplied by the number of years of service in the concern.

Five percent of the payroll is usually the employer's cost of the pension. If the employee leaves before the retirement age he gets back every cent he has contributed at compound interest and the employer gets his contribution back. Therefore, a sinking fund is created. If the employee dies before the retirement age he gets his money back. The main

difficulty in connection with the pension scheme is the accrued liability, which exists at the start. This calls for a considerable outlay on the part of the employer at the beginning, but this lets the employer know not exactly what he has to pay but the maximum that he must ever possibly pay. He will get back much of his initial outlay because of premature death of employees and labor turnover.

Mr. Dixon said that if group annuity systems had been put into effect 25 years ago, the depression would now be 50 percent less severe.

Most companies recommend age 65 for retirement of men and 60 for women, although this is flexible.

Attributes of Successful Agent Are Enumerated

Mr. Heavey enumerated some of the attributes of a successful agent. He must have a deep seated conviction and must be able to talk positively about the stability of life insurance based on its record during the depression and by its inherent nature. He must have a conviction of the necessity of life insurance based upon knowledge of what happens when it is not carried. He must keep away from complicated sales ideas and concentrate on the two great uses of life in-

surance, i. e., an estate for self and estate for family in event of death. All other uses are collateral.

The successful agent must be cognizant of the fact that a different kind of salesmanship is needed today. He must carefully and logically organize his sales presentations. He must develop motivation, uncovering a need, explaining a program and using a series of appeals so that the prospect will want to put his money into insurance instead of into the bank or making some other disposition of it. The agent must realize that the average sized policy has decreased and that he must see more people and more carefully selected people. He must see enough people, see enough of the right kind of people and say the right thing to enough of the right kind of people. Mr. Heavey cited some surveys made by the Equitable showing that 30 personal contacts will produce 15 interviews, which will produce two applications for about \$10,000 of business which will produce one paid-for case of about \$5,000.

People for the agent to see are those with whom he is in rapport socially and financially. He should see people who have not had cuts in income or those who have adjusted their present standard of living to their present income. He should see people who have financial problems, the solution of which depends on continued earning power.

Mr. Heavey advised starting in the search for such people from where the agent stands; that is, among his club mates, for instances; fellow churchmen. He suggested getting names of smart school children from their teachers and approaching their families.

cured by the cash value of the ordinary life policy.

The statement is answered that the insured is paying the same premium for a reduced amount of insurance, as compared with the policyholder who has not borrowed on his policy. The booklet points out that the part of the actuarial net premium held by the company to pay death losses in future years and/or maturity values, is accumulated at compound interest and is the reserve of the policy.

The booklet states that there is a general belief that the reserve accumulated on a policy as of the end of the year in which death occurs is confiscated by the company. The answer is that the fact that the reserve accumulated on a policy is used as part payment of the claim in event of death enters into the calculation which establishes the premium for every policy. In other words, if this assistance of the reserve toward payment of the claim were not true, the premiums charged would have to be higher than they are.

The statement is heard that the man paying interest on a policy loan is paying interest on his own money. The booklet states that this is true only in the limited sense that the loan value is usually the same as the cash value and, if the insured is willing to give up his insurance protection entirely, the cash value is his money.

"Unless the companies take the position," the booklet states, "which is opposed to this advice to replace old insurance with new, they will be acquiring in a practice which is directly contrary to the aim for which they have long been striving and the result may be a belief in the minds of policyholders that it is to their interest to cash in policies on which loans have been made and replace them with new insurance. Once this idea is started it may not be a long step in the minds of some policyholders to the thought that it is of advantage to cash in policies which have no loans on them and replace them with new insurance."

This, the booklet states, would in time cause the public to lose its sense of appreciation of life insurance policies as a means of providing for old age, dependency, education of children, etc., and think of them only as a means of securing temporary protection.

Expose Policy Loan Fallacies

The California-Western States Life has issued a studious and convincing booklet to agents, entitled "Policies with Loans," the author of which is Vice-President and Actuary H. H. Buckman.

The duplication of first year commissions and other expenses is pointed out with a three year and ten year illustration, when a new policy is written to replace one previously in force.

When considering policies issued on the limited payment life or endowment plan, the fact should not be overlooked

that every premium paid is a definite step toward the completion of the contract and reduces the number of premiums remaining to be paid to accomplish such completion, the booklet points out. However, there are times when it may be desirable to reduce the premium outlay to that required for an ordinary life policy. This can be done without surrender of the old policy by changing the old policy as of its original date of issue to an ordinary life policy with such indebtedness against it as can be seen.

SERVICE LIFE

INSURANCE COMPANY

Exceedingly liberal contracts are offered to reputable and responsible agents. An unusual agency proposition is extended in districts where the company is not now represented.

For information write
B. R. BAYS, President
JOHN L. OESCHGER,
Secretary-Treasurer

Home Office: LINCOLN, NEBRASKA

1871—1933

THE LIFE INSURANCE COMPANY of VIRGINIA

Richmond

Bradford H. Walker
President

YOU can become in your State or County the first to write pension insurance against blindness. Service Contracts against eye impairment. Good commission for you and a life pension.

We originated the plan of pension coverage against blindness.

Write E. L. Griffith
515 National Standard Bldg.
Houston, Texas

CLAY W. HAMLIN "DEFINITIZER" SYSTEM

Manual for the manager on Mr. Hamlin's complete time control plans and 3 copies of the "Definitizer" for \$1.00.

Insurance R & R Service
Indianapolis, Indiana

\$1,000 to \$1,600

Ordinary Life Insurance at An Average Cost GUARANTEED OF ONLY \$14.00 per \$1,000

Of course issued in larger amounts

ALL PREMIUMS RETURNED

in addition to face of policy in event death before age 60

FULL FACE THEREAFTER AND PREMIUM REDUCED 20%

Original cost, age thirty, \$21.40 per \$1,000 to age 59; \$17.19 per \$1,000 thereafter

Write for Sample and Particulars

This is one of many unique contracts issued by

Federal Union Life
FRANK M. PETERS, President
Cincinnati, Ohio

"Business Life Insurance," by Ralph Sanborn. Discusses the various phases of this class of protection, \$3. The National Underwriter.

IN CLEVELAND, OHIO—

A MANAGER who is capable of building an agency organization in Cleveland and vicinity is sought by

A COMPANY which will back his efforts with unusual cooperation, lend every assistance to promote his success. This is

AN OPPORTUNITY provided by a progressive, well-established, (25 years) fast-growing (200 millions in force) company well-known for the exceptionally complete and effective service given its Agency Force.

Address X-19, The National Underwriter, Chicago.

Agency Manager Wanted

An old line, legal reserve middle western life insurance company on the mutual basis with its business well seasoned desires to get an experienced agency manager, who is not afraid to work, who has the viewpoint of a medium sized institution, who can talk its language and who has the ability to enthuse and train agents. The man must be constructive in his views and not fanciful. He must be willing to get down to bedrock and build solidly. Address X-22, The National Underwriter.

Life Men Oppose Inflation Plans

(CONTINUED FROM PAGE 3)

stitution of life insurance solidly against any inflationary schemes. Among these practical results would be the withdrawing of cash values to invest in property more stable than the debased dollar and the general public confusion which would make it extremely difficult to get people to invest their money in an institution which might return that money in dollars worth one-tenth or one-hundredth of those which had been deposited. Bonds and other evidences of indebtedness such as life companies hold would presumably continue as at present on an amortized basis and would not be affected by the drop in market value that inflation would cause in such securities. Common stocks and real estate holdings would of course appreciate in value as the currency depreciated.

Many Bonds Payable in Gold

A certain percentage of the bonds held by many life companies are payable in gold "of the present standard of weight and fineness." A smaller percentage of mortgages are also made payable in gold. Maturity of this class of investment would of course increase in value and help offset some of the evil effects of inflation.

However, the worst blow to the institution of life insurance would be the confusion which would make it impossible for policyholders and prospects to have the slightest confidence in making provision for their own financial future or that of their dependents. Fortunately the possibility of currency inflation seems to be almost infinitely remote.

Tax Department Rulings

The income tax department has ruled that the gain realized from the surrender of a combined annuity and life insurance contract held for more than two years may not be treated as capital gain and the tax limited to 12½ percent of the gain, but must be treated as ordinary income subject to the regular normal and surtax rates.

Where the insured makes an irrevocable gift of a life insurance policy to a beneficiary, the department has indicated that it contemplates accepting the cash surrender value as the basis for any gift tax.

Additional Companies Take Action on Loan Foreclosures

(CONTINUED FROM PAGE 4)
sents complexities which requires time and analysis to study and solve.

FORM BOARD IN NEBRASKA

Governor Bryan of Nebraska named a board of conciliation, made up of farm organization leaders, bankers and representatives of mortgage companies, to adjust differences between farmers and their mortgage creditors. Local advisory boards were appointed to attempt to get lower interest rates, scale down principal, postpone payments due, as individual cases may require, or secure other arrangements for forbearance as are needed and possible.

TEXAS COMPANIES LENIENT

DALLAS, TEX., Feb. 9.—Texas life companies are not foreclosing on farm lands unless the owners force this action by quitting. The companies are cooperating to the fullest extent with the farmers on whose lands they have loans. Some companies are going so far as to advance more money where they deem it safe instead of closing out loans. That is the policy of the Southwestern Life, President T. W. Vardell said.

D. E. Waggoner of the Fidelity Union said his company is not foreclosing on farms unless the owner quits. The Great Southern, Southland, Amicable and American National also are not foreclosing so long as the farm owner is trying to pull out. Foreclosures by Texas life companies in the past year have been less than for some time because of this lenient policy.

CREDIT IMPAIRMENT FEARED

DES MOINES, Feb. 9.—There is quite a general opinion in the state that delaying and suspending mortgage foreclosures will bring serious problems to farmers and that the moratorium should be rejected. It is said unless the demand for repudiation terminates soon the situation of mortgaged land owners will become infinitely worse. From the usual and ready sources of money for farm loans, the borrowing of even \$1,000 upon security of the best land in the state will be impossible for an indefinite period.

Iowa newspapers almost in a body decried repudiation of mortgages, fearing destruction of farm credit. The Jefferson, Ia., "Bee" finds insurance or loan companies not responsible for bad agricultural conditions, cites the great contribution of life companies, and urged the use of reason. The "Bee" looks upon foreclosures as bad for farmers and worse for insurance companies. Unless land prices improve, insurance companies with farm loans of \$75 to \$125 per acre are going to gain title to many farms that will not nearly pay in cumbrances, the newspaper says. Loan companies of every kind probably would be glad to sell their acquired lands for half of the mortgage or less.

The Tama, Ia., "News" urges that Iowa credit be safeguarded. The only way Iowans will be able to borrow will be if they can convince those who have money that a loan is safe in Iowa. The natives cannot be blamed for their difficulties, the paper says, for slumps in stocks have been even greater than in farm land and property, but there should be an effort to adjust mortgage difficulties in a sensible manner and convince the country that everything possible is being done to work out of the situation and repay loans.

The "Register," of Madrid, Ia., says, "If we persist in disregarding the rights of the mortgagor we absolutely destroy farm credit. Every day or two is heard the complaint of somebody who wishes to borrow money on farm land and is unable to place the loan. Apparently we entirely fail to couple the relationship between the two angles of the situation. According to statistics less than 50 per-

cent of Iowa's farms are mortgaged. The credit of those unmortgaged farms is being jeopardized along with the mortgaged ones."

CONFERENCE IN TENNESSEE

NASHVILLE, TENN., Feb. 9.—Governor McAlister of Tennessee Thursday held a conference of representatives of insurance companies, mortgage concerns and other holders of mortgages on farms and homes to discuss a voluntary moratorium for the period of the depression. Insurance companies have millions of dollars involved in Tennessee properties.

Pittsburgh Banks Seek to Upset \$755,655 Life Trust

Suit has been started by several creditor banks to upset the life insurance trust of \$755,655 for the beneficiaries of the late Harris Nesbit, former president of the Bank of Pittsburgh, N. A. The action is before Judge Gray in common pleas court in Pittsburgh. The Union Trust Co., is trustee. The creditor banks seek to show that Nesbit created the life insurance trust while he was insolvent and so the proceeds should be available to creditors. The action is directed against The Bank of Pittsburgh, N. A., its receiver, Scott H. Nesbit, trustees, widow and three children.

Chief Adjuster Case Dead

David N. Case, chief adjuster of the life, accident and group division of the Travelers, died suddenly of heart disease at his home in Hartford, Saturday. Mr. Case was born in Unionville, Conn., in 1872. He entered the employ of the Travelers in 1888, his first work being in the mail department. The company was then only 24 years old, and J. G. Batterson, its founder and first president, was active head of the organization. From the mail department, Mr. Case was promoted to the claim division, where he was assistant to Dr. J. B. Lewis, first medical director and claim investigator of the Travelers. In 1907 he was made chief adjuster of the life, accident and group departments.

App-a-Week Records

The Lincoln National has an impressive list of leaders in consecutive weekly production, headed by O. F. Gilliom of Indiana, who has produced for 953 weeks; second, D. E. Peavy, Beaumont, 610.

Indiana Bill Subordinating Insurance Is Passed, Signed

INDIANAPOLIS, Feb. 9.—The bill which will regroup all state departments and bureaus under eight heads has passed both houses of the Indiana legislature and been signed by the governor. The regrouping will be extended over several months. No definite program has been announced by Governor McNutt, who has the appointive power for most of the offices created by the new law. The insurance department will be in the group headed by the state auditor. Disposition of the state fire marshal's office is not specified as yet, as this department was created under a separate act and is maintained by a direct tax on the fire companies.

The purpose of the new measure is to effect economies if possible and insurance interests have apparently been willing to let the experiment be tried although, from their point of view, it is believed that the reduction of the insurance commissioner's office to a part of a group of state offices is at least not a forward move. In the regrouping plan, however, it would not have been possible to leave out any existing department. The law is a pet measure of the administration and there was but little opposition, though rather vigorous protests were voiced by a few lawmakers to effect that the law created czar-like power for the governor.